

By Mr. MORRISON:

H.R. 9019. A bill for the relief of Guiseppi Ognibeni; to the Committee on the Judiciary.

By Mr. ZELENGO:

H.R. 9020. A bill for the relief of Mrs. Agavni A. Seckiner and Selma Seckiner; to the Committee on the Judiciary.

## PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

268. By Mr. SCHENCK: Petition of the city commissioners of the city of Dayton, Ohio, supporting home rule for the people of the

District of Columbia and requesting the Congress to grant it; to the Committee on the District of Columbia.

269. By the SPEAKER: Petition of the assistant clerk of the city commission, Dayton, Ohio, petitioning consideration of their resolution with reference to supporting home rule for the District of Columbia; to the Committee on the District of Columbia.

## EXTENSIONS OF REMARKS

### Dedication of Stamps Commemorating the 100th Anniversary of the Petroleum Industry

#### EXTENSION OF REMARKS OF

**HON. CARROLL D. KEARNS**

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, September 1, 1959*

Mr. KEARNS. Mr. Speaker, under leave to extend my remarks in the Record, I include the following talk made by Postmaster General Arthur E. Summerfield at the dedication ceremonies of the 4-cent petroleum industry centennial commemorative stamp at Titusville, Pa., August 27, 1959:

In my service as Postmaster General, no official act could give me greater pleasure than to dedicate this stamp commemorating the 100th anniversary of the petroleum industry.

The American people have great reason to be indebted to this industry. It has supplied most of the power that has made the American standard of living possible.

Certainly we in the Post Office Department can see most vividly the contribution this great industry has made to the progress of America.

The improvement of the postal service has depended upon the constant advance of this industry. The development of diesel oil for the railroads greatly speeded our transcontinental service. The development of better gasolines for trucks and airplanes was vital to the Post Office's ability to keep pace with the needs of our people.

Recently the fuel this industry has made possible for jet aircraft has enabled us to give the better and faster service we should render in these times.

But the industry does not stop with this, nor do we. The industry has developed fuels to power mighty missiles—and we have carried out our first experiment in missile mail. We shall look to the petroleum industry in the future to provide power that will enable mail-carrying missiles to speed communications from this continent to all parts of the earth.

In the light of today's progress, it is difficult to believe that it was only 100 years ago that Col. Edwin L. Drake completed the first oil well here in this historic city of Titusville.

It is not difficult, however, to understand the dedication, the sacrifice, the courage, and the tenacity with which Colonel Drake met his challenge. It was a fitting beginning for a great enterprise that has been marked throughout this century by courage, dedication, and success.

The American people, I am sure, applaud the words of a testimonial to Colonel Drake by his contemporaries:

"Edwin L. Drake was the man who first bored for oil, and by his genius and indomita-

ble perseverance, produced the cheapest illuminator of the age, multiplying the wealth of the world, adding to the list of human industries and contributing to the comfort and happiness of mankind."

How very apt, as well, are the words of the centennial slogan of the petroleum industry—"Born in Freedom, Working for Progress."

The oil industry not only was born in freedom, but has been a vital guardian of American freedom through all the years that have ensued. It has been a basic strength in war, a propellant of economic progress—a builder of higher standards of living—in peace.

We look to this stamp as more than a commemorative symbol. With more than 120 million stamps to be issued, it will go throughout the world as a reminder of what can be achieved by the combination of free enterprise and the vision and courage and effort of dedicated men.

It will serve as a worldwide tribute to all who have brought the oil industry to its present greatness—and to its leaders who are moving with confidence to meet the challenge of the future.

It is a great privilege to inaugurate this commemorative stamp, here on the site of the oil industry's birth. This stamp, above all, bears the best wishes of the American people for the second century of oil and the contribution it will make to better life for all the peoples of the earth.

### General Accounting Office Report

#### EXTENSION OF REMARKS OF

**HON. OVERTON BROOKS**

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, September 1, 1959*

Mr. BROOKS of Louisiana. Mr. Speaker, I have had occasion to examine the recent General Accounting Office report on the Air Force purchase of the Wherry housing projects, and it is my belief that this report is misleading and based on false premises.

The report not only artfully avoids the principle question necessarily arising in cases of this sort—namely, did the Air Force receive full value for the dollars spent—but, in fact, it also chastises the Air Force apparently for following the Department of Defense directive calling for direct negotiation rather than condemnation procedures. At no time does the report consider what the results would have been had the Air Force resorted to condemnation of the property.

Considering these points in reviewing the case of particular interest to us—

that of Barksdale Air Force Base—we find that the Wherry housing units there had been completed in 1951 and 1952 at an approximate cost of \$9,164 a unit. This project consists of 692 two- and three-bedroom housing units for airmen and officers, 544 of which were completed in December 1951 and 148 in February 1952. The original estimate of replacement cost was \$6,331,699, or approximately \$9,164 per unit. The Air Force, we find, paid a total of \$6,256,199, or \$9,039 per unit. But the same project if built in 1958 would have cost \$8,231,209, or \$11,913 per unit. These prices are based on leading surveys which show that a 30-percent increase in construction costs occurred between January 1952 and January 1958 for similar areas. This would have resulted, therefore, in an increase of about \$2,850 more per unit. In addition, the owners had even put an additional \$100,000 investment into their houses several years after completion in order to improve the electrical systems.

It appears to me, then, that the Air Force received full value for every dollar spent when it paid for the Barksdale and other projects at 1951-52 prices. The Air Force carefully inspected these projects before acquisition. I don't believe there is anyone who could buy real estate today for the price it was worth 7 years ago.

Now, had the Air Force not negotiated for the property or if the owners had not accepted the Air Force offers, the Air Force would have had to resort to condemning the property. It would have been necessary to pay today's full value since a court is concerned with the present value of property and not whether a builder will be making a profit from the sale. The results of a number of condemnation trials in connection with disposal of Wherry projects are shown in the attached chart. From these figures, it appears that the results in the courts have been much in excess of the maximum formula price which in turn is limited to original FHA replacement costs. The Constitution requires that just compensation be paid when a property is appropriated and nowhere does the question of profit over original investment enter into the determination of just compensation for condemned property.

The owners apparently were satisfied with the price paid them, preferring to settle for the lower 1952 in order to obtain their money immediately, thereby avoiding a wait of several years for the conclusion of a condemnation action with all of its subsequent expenses.

By this record of negotiated acquisitions as against acquisition by condemnation, the Air Force carried out the congressional intent of the Wherry legislation as well as that of the recent Armed Services Special Subcommittee—that is, to negotiate up to the maximum price, if necessary, before going into condemnation proceedings.

Not to have negotiated where possible, therefore, would have meant ignoring congressional policy and executive responsibility to buy the Wherry projects and improve them where necessary to bring them up to current public quarters standards—a goal having priority with the Air Force at this time. Millions

of dollars have been lost in training personnel at great expense only to have them leave the service because of inadequate living conditions. The Corridor Committee, General LeMay, and other high officials have long recognized the fact that a professional Air Force capable of meeting today's defense needs cannot be established if families are required to live in public quarters not commensurate with their quarters allowance.

This goal will be helped toward realization, it is hoped, by the Wherry acquisition program as well as by the Capehart housing program now underway.

*Wherry condemnation award results*

Project	Units	Equity formula price	Equity fair market value	Court award	Type of trial	Award to formula equity (percentage)	Award to fair market value equity (percentage)
<b>Air Force:</b>							
Chanute, Ill.	800	\$954,948		\$1,168,296	Judge	122	
Travis, Calif.	980	1,555,711	\$706,000	1,250,000	Jury	80	177
Hamilton, Calif.	505	702,281	846,000	1,800,000	do	256	213
McDill, Fla.	800	1,587,661	929,000	2,100,000	Commission	132	226
<b>Army:</b>							
White Sands, N. Mex.	235	230,037	225,500	440,000	do	191	195
Fort Benning, Ga.	800	1,106,864	941,000	2,171,487	Jury	196	230
Huachuca, Ariz.	500	527,845	250,900	614,898	Judge	116	245
Belvoir, Va.	459	632,314	277,700	740,000	Commission	117	266
Redstone, Ala.	120	160,968	100,000	262,420	do	163	262
Fort McClellan, Ala.	140	95,074	63,000	257,491	do	271	409

\* Includes \$214,296 interest on judgment.

## Poland Stands Today as a Symbol of Courage

EXTENSION OF REMARKS  
OF

**HON. CORNELIUS E. GALLAGHER**

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 1, 1959

Mr. GALLAGHER. Mr. Speaker, as we pause to look back two decades to the day that Hitler released his panzers to plunge across the borders of Poland to kill and to plunder, we should be mindful that the United States has a close and intimate relation with the brave people of that freedom loving nation which dates back nearly 200 years to the time when the founders of this Nation were fighting for their own freedom against a powerful empire. A number of Poland's great soldiers volunteered their services and fought with the colonial army to victory, sharing all the bitter hardships of America's war for freedom.

It saddens our heart to look back on the brutal and inhuman treatment suffered by the people of Poland, first at the hands of the Nazis and later the Russians. Since the end of World War II, Poland has lived under the yoke of the Communist, but the spirit of her people, their longing for freedom is as evident today as it was two centuries ago. The Communist masters in Moscow have found that their most brutal methods have been unable to suppress this desire for freedom and today of all the nations behind the Iron Curtain, Poland remains

the most independent and there the fire of freedom burns brightest, 20 years since her people have known freedom.

Poland stands today as a symbol of courage, a nation that refuses to let freedom die.

## Farewell to Walter Lee

EXTENSION OF REMARKS  
OF

**HON. VICTOR L. ANFUSO**

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 1, 1959

Mr. ANFUSO. Mr. Speaker, it was with mixed feelings that I recently learned of the impending retirement at the conclusion of the current session of Walter Lee, the very able legislative assistant of the House Judiciary Subcommittee on Claims. I am happy for him that he has the opportunity to retire and to take it easy after his many years of service on Capitol Hill. I am sad that he will no longer be around to assist us in his very courteous and efficient manner.

It was my pleasure to know Walter since I first came to Congress in 1951. He has been most cooperative whenever I would call on him. His advice in connection with legislation has always been straightforward, sincere, and wise. I shall miss his good counsel in these matters. Somehow Capitol Hill will just not be the same without Walter Lee.

In his well-earned and well-deserved retirement, I wish him and his family

many years of good health and happiness. May his years be long and his memory of his many friends on Capitol Hill always pleasant.

## The Pentagon Book Ban

EXTENSION OF REMARKS  
OF

**HON. CHET HOLIFIELD**

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 1, 1959

Mr. HOLIFIELD. Mr. Speaker, we live in a time of world crisis when the life and death issues of peace or war are debated in the Halls of Congress, the press, and public forums throughout the country. The new personal diplomacy of the Eisenhower administration and the forthcoming exchange of visits between Mr. Khrushchev and Mr. Eisenhower signify the intensity of the search for peace.

In these critical times there is need for basic data and the informed judgment of experts to help the American people find the right road to peace. I have tried, as chairman of a subcommittee of the Joint Committee on Atomic Energy, to bring to the Congress and the American people the basic facts of nuclear radiation—the effects of radiation from bomb testing as well as the nuclear damage from hypothetical mass attack. As chairman of the Military Operations Subcommittee of the House Committee on Government Operations, I have tried to do the same in the missile field—bring together in one authoritative document the basic facts of the missile programs which support our strategy of deterrence and defense.

We need more information, Mr. Speaker, not less, to put into the crucible of national debate which will mold the American policy for survival and peace. Therefore, it is with great concern that I note the Department of Defense decision to ban a book by Gen. Thomas S. Power, who heads our Strategic Air Command.

This Pentagon book banning is a shortsighted policy. Granted that there may be some technical problems about books and articles written by Government officials, military and otherwise—technical problems concerning royalties, copyright, and the like—it is vastly more important for the Congress and the public to have the benefit of the seasoned judgment and experience of men like General Power.

General Power's book was written to help the American people understand better the issues of war and peace in the nuclear-missile age. The book analyzes the revolutionary impact of nuclear bombs and missiles on military strategy, the nature of the enemy threat, problems of deterrence, the implications of all-out and limited war, the vital role of civil defense in deterrence, and other important matters.

The Air Force has approved this book for publication. A publisher is waiting



the word to put the book into print. General Power has given up any financial returns that may be derived from the sale of this book.

Mr. Murray Snyder, Assistant Secretary of Defense—Public Affairs—has decided that this book should be withheld from publication. His office issued a press release to this effect, although neither General Power nor the Secretary of the Air Force were informed directly beforehand that a decision to withhold the book had been made.

I presume that Secretary of Defense McElroy has approved Mr. Snyder's action. If so, I believe that the Secretary had better reconsider this action and permit General Power's book to be published.

Secretary McElroy should recognize that book banning, like book burning, is a vicious and futile policy which does no credit to a free nation. The right of the people to learn and to understand should not yield to bureaucratic policy which conflicts with that right.

In the CONGRESSIONAL RECORD of Monday, August 31, 1959, at page 17357, there is a list of 15 books by high-ranking military officers written while on active duty. I notice among them "Crusade in Europe," by Gen. Dwight D. Eisenhower, written while he was Chief of Staff of the U.S. Army during the period 1945-48; the book was published in 1948. This book has been highly rated by scholars and commentators on World War II. It was an important work by the general in command of the allied invasion forces. The American people are the better off for its publication.

I believe the same could be said about General Power's book. I have not had access to the book, although I am familiar generally with the subject matter of which it treats. I may not even agree with certain things General Power says and, doubtless, he would not subscribe altogether to points recently made by my subcommittee in its report on organization and management of missile programs. But General Power has an important message for the American people. He should be allowed to convey that message. I hope that the Secretary of Defense will reconsider the ill-advised and unwarranted book-banning decision.

### Levering Will Hold Conferences in District

EXTENSION OF REMARKS  
OF

**HON. ROBERT W. LEVERING**

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, September 1, 1959*

Mr. LEVERING. Mr. Speaker, when I was elected to Congress last fall, I resolved that I would strive in every way possible to maintain a close contact with the people of the 17th Congressional District of Ohio, who elected me to represent them.

Since then, I have made regular radio speeches to my people, filling them in on the problems of Government which I

think are important. I have circulated a weekly newsletter to the newspapers of my district, so that the editors and the people would be able to understand the issues and the many views relating to them. I have had personal contact with thousands of members of the public from my district. I have corresponded with other thousands.

This year, as did my predecessor in the past, I am arranging a series of meetings in the courthouses of the seven counties in my district, and I am urging members of the public to come to these meetings and to talk over any and all subjects they choose. It is my thought that only by personally contacting the people I serve, can I do the best possible job for them in the Congress of the United States. I will be in the courthouses of the seven county courthouses from 9 a.m. to 5 p.m. each weekday.

Here is the schedule:

Friday, September 25, Ashland, Ashland County.

Monday, September 28, Mansfield, Richland County.

Tuesday, September 29, Mount Vernon, Knox County.

Wednesday, September 30, Delaware, Delaware County.

Thursday, October 1, Newark, Licking County.

Friday, October 2, Coshocton, Coshocton County.

Monday, October 5, Millersburg, Holmes County.

I not only welcome visitors at these conferences, I urge individuals, regardless of political party or how they may have voted in the past, to come to see me. I am striving to represent all the people of the 17th District, regardless of their beliefs about any political or legislative issue, and I know that it is of great help for a Congressman to talk over personal, national, and international problems with the people at home.

No appointments are necessary. I hope to see a large number of persons. The discussions can help me to serve them better, and it can help them to understand my problems in striving to do the best possible job for all of the people of my district.

**Maj. Gen. William P. Fisher**

EXTENSION OF REMARKS  
OF

**HON. LESLIE C. ARENDS**

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, September 1, 1959*

Mr. ARENDS. Mr. Speaker, it has been announced that Maj. Gen. William P. Fisher, director of Air Force legislative liaison, will be leaving in a few weeks to assume command of the Eastern Air Force Military Air Transport Service.

General Fisher has brought great ability and outstanding results to this complex assignment. He has been a persuasive advocate of our defense program and he has done much to keep alive the cordial relationship which

exists between the Congress and the Department of the Air Force.

I wish General Fisher his greatest success in his new assignment and I know that my colleagues will join me in welcoming General Fisher's successor as Air Force director of legislative liaison, Maj. Gen. Thomas C. Musgrave, Jr.

### Demands on the Federal Treasury

EXTENSION OF REMARKS  
OF

**HON. E. Y. BERRY**

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, September 1, 1959*

Mr. BERRY. Mr. Speaker, one of the rough detours on the road to the adjournment of Congress is the controversial problem of financing the highway program. Pressure has been built up from the States, the construction people, and the material suppliers for a bond issue to finance the bulk of the cost and then a diversion of the excise tax on new cars and parts.

The people demand a program of "pay as you spend or do not spend." The President has recommended an increase in the gas tax of 1½ cents per gallon to "pay as you spend." The committees of Congress have been wrestling with the problem for months. Each time they add two and two, they come up with the disgusting figure of four and then they must go back and start all over. Surely if they wait long enough, Members will become so anxious to get home that they will buy a set of figures that do not add up.

The problem presented is as old as the philosophy of planned spending. The pattern has been followed many, many times, and each time it has produced the desired results. Is there any reason to expect it will not this time? Yes, the garment is new, but the pattern is old.

### THE PATTERN

A few years ago the States were suffering financial difficulty with mounting highway traffic. There was increasing demand from the people for more and better roads. The States had levied close to their limits. Although under the Federal highway program the Federal Government matched 60 percent, the States could not meet their 40 percent without tax increases. This they were reluctant to do.

It was becoming serious when someone came up with a plan—an interstate "defense" highway program where the Federal Government would match 90 percent and the State only 10 percent. The State groups reasoned that if they could just get the Federal Government to build one good superhighway across every State, this would relieve the pressure on State governments.

In order to insure that each State would be given at least one good cross State superhighway, the plan provided for the connecting of principal industrial cities. It was labelled a "defense

measure," and to sugar-coat the pill, a separate fund was established so the program could be sold as a "pay as you build" program. Certainly Congress would buy that one.

It was neatly wrapped and tied with a lovely "defense" ribbon. Congress bought it. The thing Congress failed to do, however, was to put any brakes on the law. Almost before it was unwrapped, the spenders had their plan in action and construction was accelerated on an antirecession basis. What happened? The same thing that happens to every program which is shifted to the Federal Government—they ran out of gas.

Anyone who could add two and two and come up with a total figure of four would know that with such an outlay of money, the program would go in the hole—\$241 million by June 30 next year and \$2.1 billion by June 30, 1962. It did, and the program is bankrupt.

However, anyone who understands Congress also knows that it is only necessary to get the ball started rolling downhill—then when the crisis comes, if they can pour enough telegrams into Washington, Congress will surrender and mortgage the future of the Nation to secure the continuance of the program.

The oil companies are stirring up the people against a gas-tax increase to pay for the increased cost, the contractors and suppliers who are caught in the middle are pleading for help—so Congress goes into the Treasury, either directly or indirectly, and the whole ball of wax is added onto the national debt.

As I have indicated, the garment is new, but the pattern is as old as the New Deal philosophy. Add it to the national debt. Paper and green ink are cheap—so we print more bonds and more money. The farmer and miner whose prices do not fluctuate, the retired people on pensions, and those on fixed incomes must pay the bill as these cheaper, inflated dollars—the most vicious of all forms of taxation—pile up.

Yes—the garment is new, but the pattern is old. Local and State governments shift the burden of their obligations to the Federal Government because they do not have the courage to levy additional taxes on themselves. Another thing, legal or constitutional debt limits prevent them from going further into debt, whereas the Federal Government has no effective debt limitation. The national debt limit can be moved up each time Congress spends in excess of national income.

#### ANOTHER GARMENT, SAME PATTERN

Three years ago the cities were having difficulty doing all the things they wanted to do without increasing the tax burden on the local taxpayer, so they decided to shift more of their burden to Washington.

The Leagues of Municipalities worked out a plan and sold it to the sportsmen's groups. The sportsmen carried the ball and the leagues simply ran the interference.

On the basis that clean fish need clean water, they attached an amendment to a simple bill extending the Anti-Stream-

Pollution Act, to provide that the Federal Government would make grants to cities for the building of sewage systems.

Sponsors pledged that it would be for only 2 years and cost only \$100 million. This year we hit the crisis—too many cities needed help—they needed twice as much for five times as long—and, of course, will get it.

What business does Congress have heaping the city sewers on top of the national debt when all that is needed is a little exercise of the police powers of the State? The answer is "None." It had no business going into this purely local governmental function in the first place, but if it did wish to take this function over, then certainly a tax should have been levied which would raise the money to pay this additional cost.

The purpose was to shift the burden of paying for the sewer system at Podunk from the people of Podunk to the people of the Nation. There it could be added to the national debt.

#### ANOTHER GARMENT

School districts across the Nation have been having great difficulty meeting the increased cost of school operation without placing the burden too heavily upon the neighbors who pay the taxes. The educators have been looking to the Federal Government for financing on the theory that with Federal money the Federal wage scale could be adopted in the schools. The boards of education have been looking to the Federal Government as money from Washington would relieve the pressure on them, pressure from teaching staffs on one side and pressure from the taxpayer on the other. Another thing, the districts must live within legal debt limits, the Federal Government does not.

The National Education Association with a strong lobby in Washington has sold the "free money" plan to the State associations and the parent-teachers groups across the Nation. Their bill, known as the Murray-Metcalf bill, has been reported by the House Education and Labor Committee and is now before the House Rules Committee.

The bill would cost over a billion dollars annually in the beginning, but will cost many, many billions in a few years. It makes no provision for financing, no provision for increased tax levies. It anticipates adding the cost of educating the children of the Nation onto the national debt. Federal control of education would be serious, but increasing the national debt in this manner and further "watering down" the already deflated dollar would be much more serious.

#### THE PROBLEM

Senator Byrd of Virginia recently reported that by 1957 Congress has provided 57 different grant-in-aid laws, all of them assisting local groups and local governments in financing projects and programs that are fundamentally the obligation of such local governmental units.

The problem has grown up primarily because individuals, communities, local governing boards and legislatures desire these many improvements, but lack the courage to levy the taxes necessary to

provide payment for them. In addition, many States have a constitutional debt limit and local governments have either a constitutional or legal debt limit which prevents them from further increasing their bonded indebtedness. The Federal Government has no effective debt limit. The result is that they look to the Federal Government to finance all of these programs. Congress, having no greater stamina than the local governing boards, passes these grant-in-aid laws with the result that each year Federal expenditures increase, the national debt goes up, the value of the dollar goes down, interest rates on cheap money go up, and the whole ball of wax gets bigger and more explosive.

#### OTHER DEMANDS

It is not only the States and local governmental units that are coming to the Federal Treasury for help. In recent years, friendly foreign nations have learned that when they are short of funds for improvements, for unbalanced budgets, for relief purposes, for defense, and for their many other needs, they, too, can come to Uncle Sam with a package tied in a defense ribbon and have their needs added to the national debt through the foreign aid appropriations.

#### NEEDED ACTION

How can these raids on the Treasury with resultant additions to the national debt be stopped? The voters can elect Members to Congress who have the courage to say "No." This, of course, is only temporary as the pendulum swings forth and back each two years. They can, however, effectively and permanently halt any additions to the national debt by adopting a simple constitutional amendment.

If Congress were prohibited from enacting any bill which provides for spending any money in excess of the national income for that year without incorporating in such bill a tax levy to raise sufficient revenue to pay for such spending, it would effectively prohibit further Federal indebtedness.

I have introduced a resolution providing for a constitutional amendment which would require that every appropriation bill contain either a certificate that this expenditure, when considered with the whole, will not exceed the anticipated revenues, or that such bill contain within its provisions a tax measure sufficient to meet such expenditure.

I am convinced this is the only method by which increased demands for federally financed programs can be reduced. I am convinced this is the only way deficit spending can be stopped. I am convinced this is the only way a balanced budget can be effected and the national debt can be limited.

While this amendment is an absolute must, if the financial integrity of the Nation is to be preserved, it does not do the whole job. There is another hole in the dike that must be plugged.

#### FOREIGN AID

At the present time Uncle Sam is being called upon not only to defend but to finance the nations of the entire free world. This would not be so serious if such financing was being paid as we



spend. The fact is, however, it, too, is being added to the national debt.

This picture requires a different frame. Uncle Sam cannot levy a direct tax upon our free world friends requiring them to contribute toward the cost of their own and our defense, or to repay our Treasury for the contributions we are making toward bolstering their budgets, contributing to their relief load, their internal development, and so forth, but he can and must require some assistance from them to the American taxpayer.

We cannot levy a tax on the manufacture and shipment of their products being used in trade with other nations, but we can require them to assist our taxpayer and we can require them to help us keep our budget in balance in spite of our great defense outlay, by levying an import tax upon the goods they import into this country. Trade with us is vital to them. The import tax could be based not so much upon the commodity as upon the cost to us of defending and financing that particular country.

#### THE ALTERNATIVE

The present trend must be halted if national bankruptcy is to be averted. The present national debt is equivalent to a first mortgage on the property of every family in the Nation of \$6,400. The deficit of the last 2 years of \$16 billion means \$360 for each family.

The present program and present policy is rapidly moving this Nation toward the fearful situation of where a housewife must take a market basketful of money to the grocery store to buy a purse full of groceries.

### Osceola Mills, Pa., Celebrates Its 100th Birthday

#### EXTENSION OF REMARKS OF

**HON. JAMES E. VAN ZANDT**

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 1, 1959

Mr. VAN ZANDT. Mr. Speaker, highlighted by congratulatory messages from President Eisenhower and Gov. David L. Lawrence of Pennsylvania together with introduction of a concurrent resolution by the Congress of the United States extending felicitations and expressing appreciation for the century of splendid services rendered to the Nation by its citizens, the Borough of Osceola Mills in Clearfield County, Pa., observed the 100th anniversary of its founding the week of August 23-29. During that period many former residents responded to the welcome home invitation and returned to join in the centennial festivities.

First named Osceola and then changed to Osceola Mills to avoid a conflict in names and because of numerous sawmills in the area, the town was established in 1859 and incorporated as a borough in 1864. Located on the banks of Moshannon Creek—now the dividing line between Centre and Clearfield Counties—like many other communities

in central Pennsylvania the town was named for an Indian.

The community was named for Osceola, the famous war chief of the Seminoles, a Florida tribe, after he, his family and tribe had been persecuted by the whites. Chief Osceola was born in Florida about 1813 during the War of 1812. In 1835 his wife was carried off as a slave, after which Osceola and his tribe waged a relentless war against the whites for 2 years with varying success. He was finally taken prisoner by treachery and confined at Fort Moultrie where he died 2 years later. Twenty-two years later the present town of Osceola Mills was named Osceola in honor of the Seminole war chief whose daring and ability won him nationwide sympathy.

Other Indian names in the area including Bald Eagle, Moshannon, Warriors Mark, and Snow Shoe were taken from Delaware, Shawnee, and Corn Planter Indians that lived in the area prior to and after the coming of the white settlers.

History records that the first settlement in Osceola Mills was made by a family named Winter followed by Daniel Hoffman who cleared a piece of land near the junction of Pruner and Coal streets.

Among the oldest settlers in the Osceola Mills area was Valentine Flegel who bought extensive tracts of land in 1800. He was a local minister and held services at Stumptown in 1815. The Stumptown church was later used as a school for more than 80 years and in 1951 after having been abandoned as a school, it was again made into a church where Free Methodist services are held each Sunday. Located across the road from the old Goss Cemetery, another famous landmark, the church was among many points of interest during the centennial celebration.

Osceola Mills was visited by a devastating fire on May 20, 1875, that almost wholly destroyed the town, inflicting property losses of over \$1½ million. Despite the fact that all inhabitants were made homeless the residents of the stricken community with the aid of neighboring towns soon recovered from such a staggering blow and from the ruins there arose a new and more beautiful community.

Clearfield County, which was among the principal lumbering areas in central Pennsylvania, is noted for its production of bituminous coal. However, because of the lack of railroad transportation, development of the coal industry was retarded.

It is recorded that about 1830 a mine was opened on what was known as the Goss Farm in Decatur Township, and coal was hauled on wagons to Spruce Creek. The transportation of coal by such crude methods naturally amounted to very small tonnage. It was not until 1846 with the opening of the Tyrone and Clearfield Railroad to Osceola Mills and Philipsburg that the real development of the coal industry in Clearfield County commenced. Prior to that time not one pound of coal was shipped by rail from Clearfield County. In fact, the first shipment of coal from Clearfield County

was made during lumbering days when coal was loaded in what were called "Arks" and floated down the Susquehanna River to Lock Haven and Williamsport as early as 1822.

Today, Clearfield County bituminous coal is known throughout the Nation and abroad and it is of interest on the occasion of the Osceola Mills centennial celebration to recall the important part that Moshannon Valley community has played in the coal production records of Clearfield County.

As the residents of Osceola Mills reminisced on this eventful occasion, they were reminded that the community, in addition to lumbering, farming, railroading and coal mining, for a number of years harbored a tannery built in 1873. Other sources of employment include a modern brick plant, and some smaller industries. Railroading has been prominent in the industrial life of the town as evidenced by a large railroad yard which was located in Osceola Mills because it was situated at the junction of the Moshannon branch with the mainline of the Tyrone & Clearfield Railroad, which years ago was absorbed by the Pennsylvania Railroad system.

To commemorate the community's 100th birthday, the Osceola Mills Centennial Committee was formed headed by Chief Burgess John Redding as president and general chairman, with Andrew Tocimak, secretary; Herman Hirsh, treasurer; and William B. McFeeters, publicity chairman. The finance committee was comprised of Neal Baney, Gordon Kephart, Lee Kennedy, George Stranko, and Justin O'Brien. With president John Redding serving as a member of the steering committee, the other members were: Robert Heath, George Mandell, Russell Olenick, Herman Hirsh, John McDonald, Charles Mostyn, Fred Brown, Eugene Danko, Earl Thomas, Norman Stevens, Arthur Bush, and John Timchak.

Following is the week-long centennial program featuring a parade each evening at 7:30 p.m.:

Sunday, August 23: Religious day with special services in all churches and a centennial evening vespers service in the park at 7 p.m. at which time Rev. Ira Duvall, of Curwensville, Pa., former pastor of the Methodist Church was the speaker.

Monday, August 24: Veterans and Defense Day softball game, 6 p.m., merchants versus Little League officials; military parade, 7 p.m., featuring 2d Army Headquarters Band from Fort George G. Meade, Md.; 3d Reconnaissance Squadron, 104th Armored Cavalry; representative units of the U.S. Army, Navy, Marine Corps, and Air Force; fly-over by Navy and Air Force jetplanes; program at memorial stadium 8 p.m.; concert by 2d Army Headquarters Band; address by Congressman JAMES E. VAN ZANDT, captain, U.S. Navy Reserve; Marine Corps attack on fortified bunker position by 34th Infantry Company, U.S. Marine Corps.

Tuesday, August 25: Education Day.  
Wednesday, August 26: Founders Day.  
Thursday, August 27: Industrial Day.  
Friday, August 28: Firemen's Day.  
Saturday, August 29: Carnival Day.

Mr. Speaker, in addition to introducing a concurrent resolution in Congress to extend felicitations to the residents of Osceola Mills, it was a great privilege to be accorded the honor of acting as grand marshal of the splendid Veterans and Defense Day parade on August 24 and later to deliver the principal address at Memorial Stadium.

Prior to the parade, it was my privilege to be guest of the Rotary Club and to speak during its centennial dinner program.

In cooperation with General Chairman John Redding, Publicity Chairman William B. McFeeters, American Legion Comdr. Stephen Sidorik, and Eugene Danko, commander of the Veterans of Foreign Wars, I was instrumental in arranging with the Department of Defense for the necessary authorization for participation by military units in the program for Veterans and Defense Day. In addition, it was my pleasure to arrange with the Atomic Energy Commission for an eight-panel library unit exhibit titled "The Useful Atom." The display which was made available by the American Museum of Atomic Energy operated by the Institute of Nuclear Studies, Oak Ridge, Tenn., illustrates the story of the atom and some of the peaceful applications in the fields of agriculture, industry, and medicine.

Osceola Mills, despite its population of 2,000, has a fine record for patriotism, a large number of young men from that area having served in World War I, World War II, and the Korean conflict. A total of 37 young men from Osceola Mills offered their lives on the altar of freedom in World War I and World War II.

In one section of the borough park there is a large stone monument, with the inscription "A tribute in commemoration of those who made the Supreme Sacrifice in the Great World War." The two names on the stone are Lt. Harry B. Peters, who was killed in action October 15, 1918, near Romagne, France, and Pvt. James L. Gorman who was killed August 28, 1918, near Fismes, France.

In the other section of the park is another monument in memory of World War II servicemen who died in action. The monument was dedicated jointly by the American Legion and Veterans of Foreign Wars posts and is inscribed as follows:

This memorial dedicated to perpetuate the memory of our valiant defenders of freedom who made the supreme sacrifice in World War II.

These are the names on the bronze plaque: Jack Arnold, Porter Albright, Chester Beres, Peter Busko, John Domack, Michael Fronslick, William Heath, Vincent Hughes, William Jarrett, Harry Keith, Robert Keller, Leslie Kephart, Jesse Kephart, Clair Kizer, Clark Kizer, Albert McKinney, Cecil McNeish, Francis McNeish, Darrell Merritt, Fred Miller, John Parana, Joseph Petulla, Michael Philiposki, Lewis Price, Robert Redding, Clare Riley, Adam Slabon, Raymond Sokol, Philip Sokolofsky, George Spittler, Harry Stewart, Paul Stevens, William Stevens, Jack Vroman, John Young.

It was fitting that in view of the gallant war history of Osceola Mills that the Department of Defense cooperated to a splendid degree by making a worthwhile contribution to the success of the centennial program.

Opening the celebration on a deep spiritual note with special services in all churches, the centennial program was varied, with each day's program interesting and enjoyable and ending in a carnival-like spirit on August 29 climaxed by a horse show and rodeo at Memorial Field.

The residents of Osceola Mills are to be warmly commended for their enthusiasm and community spirit that always plays an indispensable part in a centennial observance.

The success achieved reflected due credit on the leadership of Chief Burgess John Redding, who acted as president and general chairman of the Osceola Mills Centennial Committee. He was ably assisted by William B. McFeeters, publicity chairman, and by the other officers and members of the various committees who worked as a team of unsung heroes in making certain the success of the centennial program.

In saluting the residents of Osceola Mills on the community's 100th birthday, I am not unmindful of the splendid cooperation extended by members of the clergy, borough council, school officials and teachers, business and industry, veterans' groups, civic, fraternal and service clubs, who with the average citizen pooled their efforts and thus succeeded in making the Osceola Mills centennial an event long to be remembered in the history of central Pennsylvania.

### Progress Toward Tax Rate Reform

#### EXTENSION OF REMARKS

OF

HON. A. S. HERLONG, JR.

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 1, 1959

Mr. HERLONG. Mr. Speaker, on January 21, 1959, my friend and distinguished colleague on the Ways and Means Committee, the gentleman from Tennessee, HOWARD H. BAKER, and I, introduced companion bills, H.R. 3000 and H.R. 3001, to reform Federal tax rates and methods to accord with the economics of progress. We were most gratified when identical bills subsequently were introduced by our esteemed colleagues on the Ways and Means Committee, Representative BRUCE ALGER, of Texas (H.R. 3607); and Representative JAMES B. FRAZIER, Jr., of Tennessee (H.R. 4266); and also by the distinguished Members of the House, Representative O. C. FISHER, of Texas (H.R. 4584); Representative J. CARLTON LOSER, of Tennessee (H.R. 6776); and Representative C. ROSS ADAIR, of Indiana (H.R. 8765).

In the intervening months, we have received many expressions of encouragement and support from Members of the Congress, from our constituents and

other citizens from all sections of the country, from various organizations including many State and local business groups, and from editorial writers and columnists.

The most constant theme of these expressions has been the practical, common sense nature of the legislation. As would be expected, greatest interest has been expressed in the reform in the graduated rates of individual income tax, which now climb so steeply through the middle and higher brackets. Over 5 years, these rates would be compressed downward with reductions of over 50 percent in the middle brackets, and the top rate coming down from 91 to 47 percent to coincide with the new top rate of corporate tax under the legislation. The first bracket rate would be reduced from 20 to 15 percent, giving all individual taxpayers a minimum tax reduction of 25 percent. We are attaching to this statement a table by which tax liability in each bracket can be computed as of the end of the reduction period compared with present law.

The climate favoring tax rate reform over increased Government spending has been strongly evidenced by the enthusiasm for the basic concept of the legislation, namely, priority in use of revenue increase from economic growth—which should run from \$4 to \$5 billion a year—to moderate the tax obstructions to growth. This enthusiasm has extended to the essential procedure of the legislation, namely, the forward scheduling of rate reductions with postponement in event of budget unbalance.

Great interest has also been displayed in the other features of the legislation—the 1 percentage point annual reduction over the 5-year period in the corporate tax, down to a new top rate of 47 percent; the reduction of approximately 25 percent over the 5-year period in the maximum required property lives for depreciation purposes; the deferral of tax on transfer of capital from one investment to another by individuals; and the uniform reductions in the rates of estate and gift taxes, down to a new top rate of 47 percent on estates and 35.25 on gifts.

The response we have received reinforces our conviction as to the soundness and urgent necessity for enactment of this legislation, and that the overwhelming majority of our citizens would welcome such action by the Congress.

Mr. Speaker, in this statement, our purpose is not to repeat the full explanation of the provisions of our bills, and supporting facts, which were included in our introductory statement of January 21, but to state in brief form some of the key points involved in this approach to tax rate reform. In subsequent releases we will elaborate on some of these points.

First, there is the goal of the legislation. It is not primarily to provide tax relief merely for the sake of relief, as important and justifiable as that would be. Instead the fundamental objective is the release of tax brakes on economic progress. More specifically, by permitting the more rapid accumulation of new capital out of current income, and moderating the tax destruction of capital already accumulated, our bills are de-



signed to bring about the achievement of higher economic growth; improvement of old jobs and creation of better jobs; more rapid advance in living standards; starting and development of new businesses; control of inflation through greater production and productivity; strengthening of our economic system and our position of leadership, prestige, and influence in the free world.

From the standpoint of our own citizens, those now in the lower income levels have the most to gain from increase in the flow of capital into the expansion of industry and the resultant improvement of old jobs and creation of better jobs.

Second, despite the benefits which will flow to all citizens from enactment of this legislation, we purposely avoided seeking our goals through the shifting or reshuffling of tax burdens among various segments of our citizens. Our approach reflects only one judgment on the tax law, namely, that rates climb too steeply and are much too high for the good of our economy and the well-being of our citizens.

Third, the goals sought can be attained if the leadership, in the Congress and in the executive branch, makes a very simple decision, namely, that, barring a new military emergency, fundamental reform of tax rates and methods is of much greater importance to the future strength and well-being of our Nation than any and all proposals for increase in spending. In other words, by giving priority to the use of revenue increase from economic growth for the reform of tax rates and methods instead of increased spending, we can achieve a tax rate structure within 5 years which will enable our economy to make much more rapid economic progress than has been the case over recent years. There are three important figures to keep in mind in this respect. A 1-percent increase in gross national product, the commonly accepted measure of economic growth, will produce a revenue increase of approximately a billion dollars a year. For 60 years before the depression of the 1930's, our economic growth averaged out at approximately 4 percent a year, which if achieved hereafter would mean revenue increase of approximately \$4 billion a year. The revenue effect of our bills would average about \$3.5 billion a year. Thus, if upon enactment of our bills the growth rate should no more than equal the historic average, there still would be a surplus available for debt retirement of approximately one-half a billion dollars a year. Actually, there is no reason why upon enactment of this legislation our economy should not begin to move upward toward a steady growth rate in the order of 5 percent instead of 4 percent. Such a rate of growth is clearly possible because of the speed of technological advance and the fact that a higher income economy can save more than a lower income economy—if not restrained by punitive tax rates.

Fourth, the procedure of our bills, forward scheduling of rate reduction linked with postponement in the event of budget imbalance would enable the Nation's leadership to make the necessary decision without fear of a return to a period

of deficit financing. This point cannot be stressed too strongly. In the current session of Congress, we have witnessed and supported the determined effort exerted by the leadership of both national parties in the Congress and the administration, to reduce and control the spending level. Enactment of the pending legislation would add both strength and greater meaning to this effort, since it would offer on a continuing basis over its life a clear choice for the public between greater spending or a more moderate tax rate structure.

Fifth, over the years ahead enactment of fundamental tax rate reform legislation will not prejudice debt retirement. To the contrary tax rate reform inevitably will pave the way to greater and more consistent reduction in the Federal debt. We are completely sympathetic to the laudable aims of debt retirement, but we want to keep the horse before the cart. The public debt is now in the order of \$285 billion and, even if \$3.5 billion a year were applied to its reduction over the next 5 years, it would still be in excess of \$265 billion—leaving the major job still ahead of us. By contrast, the application of the same amount of revenue dollars to fundamental tax rate reform over this period would mean that a greater part of the tax reform job would be behind us. This not only would mean that the annual revenue gain would be greater and more consistent thereafter, for whatever division between debt retirement and further tax reforms that might be decided—it also would mean greater revenue gain and hence some opportunity for debt retirement during the 5-year period itself. In short, the debt retirement job is, of necessity, a long-range one, whereas the tax rate reform task can be substantially accomplished over a relatively few years. Its accomplishment, therefore, is the first step toward insuring maximum and consistent reduction in the debt over the long run.

Sixth, our bills would contribute to broadening of the Federal tax base, an aim which is of great concern to all Federal tax policymakers and authorities in this era of high public spending. The great interest in this area is the base of the individual income tax, which tax provides roughly 50 percent of Federal revenues. In 1957, the base of this tax, defined as "taxable income," was approximately 43 percent of total personal income, as compared with 34 percent only 10 years earlier. The reason for this growth in the tax base is that without material change in exemptions, credits and deductions, taxable income increases roughly 50 percent faster than the increase in personal income. Thus, achievement of higher rates of growth and of increase in personal income, which would be brought about by enactment of the pending legislation, would accelerate expansion of the tax base.

Seventh, in permitting an increase in the rate of new savings, and by moderating the destruction of capital already saved, our bills would strike at the roots of the inflation problem, and also at the interest rate problem as it has been highlighted in the contemporary controversy over lifting the ceiling on

interest rates of Federal bonds. The inflation of this era essentially reflects a greater demand from all sources for the combined product of economic activity than can be provided by capital formation under present tax rates. The constant upward pressure on interest rates is simply a reflection of the inadequacy of new savings to do all of the things which all of our citizens want done to enhance their economic well being. Stated differently, a greater rate of new savings is the only route to greater rates of increase in production and productivity, which in turn are the means to better satisfaction of competing demands on the economy while dampening inflationary pressures.

Eighth, there is the matter of job creation and betterment. We are moving into a period in which there will be a significant step-up in the numbers of new workers coming each year into our labor force, reflecting the very rapid increase in population trends starting from World War II. The question is not just one of providing jobs, since people can always be put at doing things which essentially result in sharing the work and hence reducing average living standards, instead of steadily increasing those standards. Better jobs, more good opportunities for old as well as new workers, can come about only by the availability of more capital which is the only means for translating into effective use the benefits of technological progress. Related to this subject alone, the pending legislation might well be called the Job Betterment Act of 1960.

Ninth, we come to a matter which ranks high in the interest and concern of every Member of Congress, namely, the starting and development of new businesses. There can be no doubt as to the forces which hold back the full flowering of the American genius for striking out on one's own and for improvement and expansion of an enterprise once begun—the shortage of capital, essentially of the venture variety, and stifled incentives, both resulting from our present tax rate structure. All the reforms provided in our bills would contribute toward the release of tax obstructions to business development from the starting stage onward, but the most important reform in this respect would be the compression of the individual tax rate scale under the umbrella of a reasonable top rate. Here is the key not only to a substantial increase in the accumulation of new venture capital, but also to making it much more worthwhile from the incentive standpoint both to use capital so accumulated and to transfer other capital into new and more venturesome enterprises. The individual income tax is the special cross of small business. On the one hand, it chokes off the traditional source of venture capital for the starting and development of new businesses, whether or not such businesses are conducted in the incorporated or unincorporated form. On the other hand, some 85 percent of business units in the country are unincorporated, and hence are the particular prey of the ruthless graduation of the personal income tax rates.

Tenth, there are the self-employed professional people, whose incomes also

are subject to the ruthless graduation of the individual income tax. The only fundamental solution of the tax problem of these key members of our society is substantial compression of the individual tax rate structure as provided in our bills.

Eleventh, in a time when the American free economic system is held out as a showcase for the free world, our Federal tax system is an exceedingly poor model for export. For many years, we have endured gross contradiction of policies in this respect. On the one hand, we have sent untold billions of dollars of taxpayers money abroad—and encouraged private investment abroad—to aid and spark the development of the economies and to raise the living standards of free world nations. On the other hand, we have continued a tax model at home which both inhibits the formation of new capital and destroys capital once accumulated; a model, which when copied or continued abroad simply tends to perpetuate the need for foreign funds to build up economies, especially in the so-called less-developed countries. Who could doubt that enactment of tax rate reform legislation in this country based on the concept of moderate rates at all points would set a pattern for similar action in other

countries, thus significantly reducing the need for foreign aid funds over the years.

Twelfth, there are the challenging twin problems of the Russian bid for world economic leadership and the growing success of Western European and other countries in competing with us everywhere including our own domestic markets. Certainly, if we are to lead effectively, and to compete successfully, in a period of dynamic economic growth throughout the world, we need to rid ourselves as rapidly as possible of the tax shackles which are binding our free economy.

Thirteenth, the key provision of the legislation, the compression over 5 years of the steep climb of the graduated income tax rates down to moderate and reasonable levels considered alone does not present a significant revenue problem. This is so because the graduated part of the rate structure provides only 14 percent of the revenue derived from the individual income tax or about \$5 billion a year.

And, finally, the test of fairness of a reformed income tax rate structure must be found in the relative burden of taxes after enactment and not in the relative percentage cuts applied to preexisting rates. In this connection, it is often

overlooked that the measure of regressivity, proportionality or progressivity of a tax is the relation of tax to total income, not to the base of the tax, that is, taxable income as regards the individual tax. This relationship is known as the effective rate of tax. The point is that exemptions provide substantial protection from payment of tax to people in the lower income brackets, protection which diminishes rapidly as income increases. Under our bills there would be a range of effective tax rates from only 1 or 2 percent in lower levels of income subject to tax, up toward 47 percent at the top. Certainly such a range of progression would satisfy all but the most extreme advocates of this form of taxation.

Mr. Speaker, it is our hope that this statement will contribute to a more general realization that the fundamental reform of tax rates and methods as provided in our bills is practical and feasible, as well as urgently needed in the national interest; that there will develop before the Congress convenes again in January an insistent demand that there be no further delay in congressional action; and that the Nation's leaders, in the Congress and in the executive branch will give the subject the priority it deserves.

*Tax computation tables—individuals*

If the taxable income <sup>1</sup> is—	The tax	
	Is (present law)—	Will be (when legislation fully effectuated)—
Not over \$2,000.....	20 percent of the taxable income.....	15 percent of the taxable income.....
Over \$2,000 but not over \$4,000.....	\$400, plus 22 percent of excess over \$2,000.....	\$300, plus 16 percent of excess over \$2,000.....
Over \$4,000 but not over \$6,000.....	\$840, plus 26 percent of excess over \$4,000.....	\$620, plus 17 percent of excess over \$4,000.....
Over \$6,000 but not over \$8,000.....	\$1,360, plus 30 percent of excess over \$6,000.....	\$960, plus 18 percent of excess over \$6,000.....
Over \$8,000 but not over \$10,000.....	\$1,960, plus 34 percent of excess over \$8,000.....	\$1,320, plus 19 percent of excess over \$8,000.....
Over \$10,000 but not over \$12,000.....	\$2,640, plus 38 percent of excess over \$10,000.....	\$1,700, plus 20 percent of excess over \$10,000.....
Over \$12,000 but not over \$14,000.....	\$3,400, plus 43 percent of excess over \$12,000.....	\$2,100, plus 21 percent of excess over \$12,000.....
Over \$14,000 but not over \$16,000.....	\$4,260, plus 47 percent of excess over \$14,000.....	\$2,520, plus 22 percent of excess over \$14,000.....
Over \$16,000 but not over \$18,000.....	\$5,200, plus 50 percent of excess over \$16,000.....	\$2,960, plus 23 percent of excess over \$16,000.....
Over \$18,000 but not over \$20,000.....	\$6,200, plus 53 percent of excess over \$18,000.....	\$3,420, plus 24 percent of excess over \$18,000.....
Over \$20,000 but not over \$22,000.....	\$7,260, plus 56 percent of excess over \$20,000.....	\$3,900, plus 25 percent of excess over \$20,000.....
Over \$22,000 but not over \$24,000.....	\$8,380, plus 59 percent of excess over \$22,000.....	\$4,400, plus 26 percent of excess over \$22,000.....
Over \$24,000 but not over \$26,000.....	\$10,740, plus 62 percent of excess over \$24,000.....	\$5,440, plus 27 percent of excess over \$24,000.....
Over \$26,000 but not over \$28,000.....	\$14,460, plus 65 percent of excess over \$26,000.....	\$7,060, plus 28 percent of excess over \$26,000.....
Over \$28,000 but not over \$30,000.....	\$18,360, plus 69 percent of excess over \$28,000.....	\$8,740, plus 29 percent of excess over \$28,000.....
Over \$30,000 but not over \$32,000.....	\$22,500, plus 72 percent of excess over \$30,000.....	\$10,480, plus 30 percent of excess over \$30,000.....
Over \$32,000 but not over \$34,000.....	\$26,820, plus 75 percent of excess over \$32,000.....	\$12,280, plus 31 percent of excess over \$32,000.....
Over \$34,000 but not over \$36,000.....	\$31,320, plus 78 percent of excess over \$34,000.....	\$15,380, plus 32 percent of excess over \$34,000.....
Over \$36,000 but not over \$38,000.....	\$42,120, plus 81 percent of excess over \$36,000.....	\$18,580, plus 34 percent of excess over \$36,000.....
Over \$38,000 but not over \$40,000.....	\$50,220, plus 84 percent of excess over \$38,000.....	\$21,980, plus 36 percent of excess over \$38,000.....
Over \$40,000 but not over \$42,000.....	\$58,620, plus 87 percent of excess over \$40,000.....	\$25,580, plus 38 percent of excess over \$40,000.....
Over \$42,000 but not over \$44,000.....	\$67,320, plus 89 percent of excess over \$42,000.....	\$29,380, plus 41 percent of excess over \$42,000.....
Over \$44,000 but not over \$46,000.....	\$111,820, plus 90 percent of excess over \$44,000.....	\$49,880, plus 44 percent of excess over \$44,000.....
Over \$46,000 but not over \$48,000.....	\$156,820, plus 91 percent of excess over \$46,000.....	\$71,880, plus 47 percent of excess over \$46,000.....

<sup>1</sup> After deductions and exemptions.

**Vice President Richard M. Nixon Addresses the 60th National Convention of the Veterans of Foreign Wars of the United States at Los Angeles, Calif., August 31, 1959**

**EXTENSION OF REMARKS  
OF**

**HON. JAMES E. VAN ZANDT**

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 1, 1959

Mr. VAN ZANDT. Mr. Speaker, one of the highlights of the 60th National Convention of the Veterans of Foreign Wars of the United States now in session

at Los Angeles was an address delivered by RICHARD M. NIXON, Vice President of the United States.

Introduced by Commander in Chief John Mahan, Vice President NIXON spoke to a capacity audience that included a cross section of America's overseas fighting men and their wives, together with leaders in the business and military life of the Nation.

The address follows:

EXCERPTS OF REMARKS OF THE VICE PRESIDENT OF THE UNITED STATES AT THE 60TH NATIONAL CONVENTION OF THE VETERANS OF FOREIGN WARS OF THE UNITED STATES, LOS ANGELES, CALIF., AUGUST 31, 1959

This is the fourth time in 6 years that I have had the honor of addressing the national convention of the Veterans of Foreign Wars.

In looking over the speeches I have made in previous years, I find that I have in each one spoken of the threat of international communism to peace and the security of the United States. I chose that subject on previous occasions because I believed that was the greatest issue before the United States and the world.

Today I shall speak to you on the same subject because, despite the developments in recent weeks which have resulted in the announcement of an exchange of visits between President Eisenhower and Mr. Khrushchev, the magnitude and seriousness of the challenge presented to the free world by the leaders of the Communist world is just as great as it was before these visits were announced.

I particularly want to direct my remarks today to those who have expressed concern over the wisdom of inviting Mr. Khrushchev to the United States. The motives which



cause this concern are laudable ones. They are motives that all of us in this room share—patriotism, love of country, opposition to Communism and a well-justified suspicion of Communist tactics. I understand and respect the right of distinguished Americans like your speaker at tonight's dinner, Mr. George Meany, to express doubts as to the President's decision on this invitation.

And, while I disagree with Mr. Meany on some issues, may I say to you what I have said on previous occasions, that there is no more vigorous, articulate and effective opponent of communism in the United States than he is. The American trade union movement which he heads deserves the thanks of all the American people for the effective work it has done throughout the world in helping free trade unions to resist Communist infiltration and domination. I can testify from firsthand experience that in many of the countries that I have visited in Asia, Africa and South America I found that one of the strongest bulwarks against communism was a strong, free trade union movement.

Recognizing that there are plus and minus factors involved, I would like to state for you today the case for Mr. Khrushchev's visit to the United States. First, let's look at some hard facts.

The United States and the U.S.S.R. are the two strongest nations on the face of the earth, each possessing almost unbelievable destructive power. The fact that one intercontinental ballistic missile can travel the 5,000 miles between the United States and the U.S.S.R. in less than thirty minutes, carrying a warhead which has more destructive power than all the bombs dropped by both sides in World War II, is just one small indication of that strength.

There are differences between the United States and the U.S.S.R.—basic, deep differences of which the Berlin crisis is only one of many. If we fail to settle those differences at the conference table, the only other way to settle them is by a war which would destroy civilization as we know it. If our differences are to be settled at the conference table, we must talk with our opponents.

In the case of the Communist dictatorship of the U.S.S.R., only one man—Mr. Khrushchev—is the man to talk to. He has absolutely unlimited power to make decisions on these great issues. We can continue to talk to him by firing messages across the 5,000 miles which separate us and we may end up firing missiles at each other. I believe that if we are to talk it is better to do so across the table face to face so that the chance for misunderstanding will be reduced to a minimum.

But why bring him here, some may ask? Why not go someplace else to talk to him? Because this man who has greater uncontrolled power in his hands than any man in the history of the world, the power by his decision alone to set off a chain reaction which could start a world war, has some very dangerous delusions and misconceptions about the United States and its people.

He knows that we are militarily strong and that we are economically rich. But because he believes so fanatically in the Communist philosophy, despite everything he has heard to the contrary, he has convinced himself that the United States is a country seething with discontent, that millions of Americans live in poverty oppressed by the wealthy few, that a substantial number of our people do not support the President in his firm stand against Communist aggression. In a nutshell, consequently, these misconceptions lead him to conclude America has the strength but may lack the will to defend her vital interests.

I have seen and talked to Mr. Khrushchev. I am convinced that if he continues to believe what he presently believes about us we

can only expect him to continue on his present course of reckless unilateral action like his precipitation of the Berlin crisis. And the risk we would be taking would be a war no one wants which would destroy civilization itself.

I am not suggesting that we should be so naive as to think that his visit to the United States will change his ideas about the relative merits of communism and our system of government.

But he will find that the overwhelming majority of the American people believe in their system just as deeply as he believes in his. That regardless of party we are united behind the President in our determination to defend our independence and that of other free nations with whom we are allied in the event of aggression. And that while the American people want peace, he should never mistake our dedication to peace for weakness, fear, or lack of determination to defend ourselves where our vital interests are attacked.

The peace we want is not the peace of surrender or appeasement but peace with justice. If Mr. Khrushchev has this lesson brought home to him by what he sees and hears in the United States, this visit will have been justified apart from the results of any conversations he may have with the President, because it will have reduced the possibility that he may miscalculate by underestimating our will to resist and thereby precipitate a crisis which could only result in war.

Now put yourself in the place of the President of the United States. It would be tempting for him to view this evil philosophy with scorn and detachment, to refuse to talk to and to meet its representatives except through the usual formal diplomatic channels. But I say that it would be the height of irresponsibility on the part of the President of the United States to take this posture, popular as it might be at the moment, and allow the world to continue to drift into two hostile camps and an inevitable, suicidal war.

In judging the merits of this visit, let me list some of the things that will not result from it.

There will be no acquiescence or approval by us of the status of the captive nations of eastern Europe. There will not be any change in the opposition of the government and people of the United States to communism at home or abroad. There will not be any reduction of U.S. military strength in the absence of self-enforcing disarmament agreements which we know will be kept by them as well as by us. There will be no negotiating on issues affecting our allies without their being present. And there will be no abandonment of our position that the 2,500,000 people of West Berlin must continue to be guaranteed the right to retain the free government which they have chosen by overwhelming vote.

In addition to providing Mr. Khrushchev a chance to see the United States and to know the truth about not only our military and economic strength but also the will and determination of the American people, it will provide an opportunity for him to discuss issues directly with President Eisenhower which affect the peace of the world.

Now I realize that there are those who object to such talks on the ground that they fear they may result in appeasement, surrender of some of our basic interests; some even suggest that Mr. Khrushchev may outwit, outsmart or trap the President and his associates.

To answer these charges bluntly, I think it is time for us to recognize that the Communists are not so smart and we are not so dumb as this kind of talk would imply.

The difficulty in the past has not been so much with what was agreed at the conference table but the fact that the Communists broke the agreements. This has

occurred in the case of 50 out of 52 major treaties and agreements since 1933. But we can be sure this time that the President will have in mind the last Geneva Conference where Mr. Khrushchev failed to carry out the agreements on unification of Germany and other issues which they reached at that time.

The President is well aware of the fact that Communist subversion in the United States is still being financed and supported by the Communist Party of the Soviet Union.

And if there were ever any doubts that the President would not enter these talks with his guard up, the news from Laos has certainly laid them to rest. The support and the encouragement which the governments of the U.S.S.R. and Communist China have been giving to the rebels in that country have served to alert the whole free world to the fact that communism's drive for world domination continues without letup.

In other words, those who believe that this conference is going to result in appeasement, surrender, defensiveness and softness toward communism simply do not know the President of the United States.

We have learned a lot in our dealings with the Communists over the past few years. While we will always treat a guest in our country with courtesy, we know that charm, flattery, and gracious toasts have no effect whatever in changing the rigid positions of the Communists leaders. We have learned that in our meetings with them we have to be just as hard-headed, tough-minded and realistic as they are. This is an approach Mr. Khrushchev respects and understands and this is the kind of a man he will face in President Eisenhower.

There are some who say it was undignified for me to reply to Mr. Khrushchev in public when he attacked the United States and our policies when I was escorting him through the U.S. exhibition in Moscow.

My answer is that I, too, would prefer that important issues be discussed in a dignified private conference. But what we have to recognize is that we are engaged in a great battle of ideas with the Communist world. Mr. Khrushchev knows this well. He never misses an opportunity to make propaganda for the Communist way of life. And I say that it is time for us in the free world to quit being defensive, apologetic, and mealy-mouthed when our system comes under attack, publicly or privately.

We in the free world must stand up and fight for our ideas just as the Communists do for theirs. We have allowed too much to go unchallenged, the kind of talk that says the free nations are decadent, divided and weak. The only and best way to progress in the newly-developing countries is through communism. Communism rather than freedom is the wave of the future. The Communist leaders are too crafty and shrewd for us at the conference table. Their education system is superior to ours.

We have been on the defensive long enough. It is time for us to take the offensive and help make the whole world realize that the Communist idea is not a super idea; that the Communist leaders are not supermen; and that the Soviet Union is not a supernation.

We should not underestimate the deadly seriousness of the challenge which is presented to us because of the disciplined dedication of the Communist leaders. But let us not make the mistake of meeting that challenge with a negative, defeatist, static posture.

As the international spotlight shifts from long-distance threats to man-to-man conferences, we should be cautious. But caution is not the same as a paralyzing suspicion that prevents any move toward peace. Let us give the President our united and

wholehearted support as he takes the leadership in the cause of peace with justice.

When Mr. Khrushchev challenges us to peaceful competition, let us go him one better and urge expansion of that competition to include the spiritual as well as the material aspects of our society. Let there be competition between ideas not only in the free world but in the Communist world as well.

We should welcome and encourage a greater exchange of persons and ideas between the free world and the Communist world. A free society thrives on free discussion, criticism, and interplay of ideas. On the other hand, dictators use fear, suspicion, and secrecy to maintain their power and control over the people.

When Mr. Khrushchev says that our grandchildren will live under communism, our answer should be—we do not fear the outcome provided they have the freedom to choose the system they want. We do not say in reply that his grandchildren will live under capitalism. The very essence of our belief is that we will not impose it on anyone else, and that every people should have a right to choose the kind of economic and political system which best fits its particular problems.

But this we do believe—that all the people on this earth, including those of the Soviet Union—will inevitably demand and obtain more and more freedom. Because history teaches us that man was made to be free and that freedom, not communism or any other form of dictatorship, is the wave of the future.

The Veterans of Foreign Wars can render invaluable service to the cause of peace and freedom to which we are all dedicated.

Let our answer to the aggressive tactics of world communism not be simply defensive, negative, and fearful. The best answer to the Communist revolution is the kind of life produced by the American Revolution. The most effective antidote to communism is a program of intelligent, articulate, positive Americanism.

### AFL-CIO Interview with Hon. Alexander Wiley, of Wisconsin, on Khrushchev Visit to United States

#### EXTENSION OF REMARKS OF

### HON. ALEXANDER WILEY

OF WISCONSIN

IN THE SENATE OF THE UNITED STATES

Tuesday, September 1, 1959

Mr. WILEY. Mr. President, we recognize that the upcoming visit of Premier Khrushchev is creating a wide variety of reactions among our citizens throughout the country.

These include strong views both for and against the visit. The predominant feeling, however, appears to be that—now that the invitation has been extended and accepted—the American people should back up the President and create the climate that will enable the best results to be obtained from the exchange visits between President Eisenhower and Premier Khrushchev.

Recently, I was privileged to discuss various aspects of the Khrushchev visit on the AFL-CIO broadcast "Washington Reports to the People." I ask unanimous consent to have the interview printed in the CONGRESSIONAL RECORD.

There being no objection, the interview was ordered to be printed in the RECORD, as follows:

EXCERPTS OF REMARKS PREPARED FOR DELIVERY BY SENATOR ALEXANDER WILEY, REPUBLICAN OF WISCONSIN, RADIO AND NEWSPAPER NETWORKS OF THE AFL-CIO

Question. Senator WILEY, do you feel the invitation to Mr. Khrushchev to visit this country is a good idea?

Senator WILEY. Overall, I feel the upcoming visit has possibilities for positive accomplishments; at the same time, there are dangers. On the positive side, the visit can (1) correct a few of Mr. Khrushchev's misconceptions about this country; (2) confirm our peaceful intentions; (3) emphasize the unity of the country behind its leadership; (4) give the Soviet leader a real knowledge of the high standard of living of Mr. and Mrs. Average America; and (5) again emphasize that, although our policies are peaceful, we will not be pushed around.

Globally, I would hope that the Khrushchev visit would not be interpreted as a sign that we are "going soft" on communism.

President Eisenhower—the standard bearer of our policy—has made a decision that, in his judgment, will best serve the interests of our security and world peace. The American people—in a united, bipartisan manner—I believe should now give full support to that decision.

Question. Do you have any real fears of Mr. Khrushchev's personal safety while he is in this country?

Senator WILEY. Naturally, I believe that all necessary security precautions should be taken. There are a great many people—particularly from Poland, Hungary, and other captive nations—who deeply resent, and understandably so, the Premier's being invited to this country.

For the public—and our allies—it should be made abundantly clear that the invitation does not demonstrate approval of communism, or of Communist tactics, that have resulted in international tensions and dangers to peace.

As a whole, however, I am confident that the Nation will act in a mature and responsible manner.

Question. Senator WILEY, do you feel that the American people might expect too much from such a visit?

Senator WILEY. No. The years of the cold war, I believe, have conditioned our people to the Soviets' hard policies. As a result, we don't expect any magical, overnight change in Soviet programs.

Question. Do you think the exchange of visits might lead to a summit meeting later on?

Senator WILEY. The decision for a summit meeting—as I have stressed before—rests squarely on President Eisenhower. As the President has stated, such a decision would—and should—be based upon whether it would make a constructive contribution toward easing tensions and resolving East-West differences.

The Eisenhower-Khrushchev exchange visits may or may not make a contribution toward justifying a summit conference.

Question. Do you think that the Khrushchev trip might succeed in altering some of his misconceptions of conditions in the United States?

Senator WILEY. Yes. As a matter of fact, I believe it would be worthwhile—to the degree possible—to plan his trips and contacts to achieve this objective.

As I understand it, however, the planning of the trip is a matter to be agreed upon between the State Department and the Russian Embassy—which, of course, gets its directions from Moscow.

Question. Senator, even if his mistaken ideas are corrected, do you think there is

any real likelihood of altering his ultimate aims of world domination by communism?

Senator WILEY. Frankly, I doubt that we can expect to see any far-reaching changes in Communist policy in the near future. To the contrary, the Soviet leaders continue to reiterate their prediction—erroneous, I am confident—that socialism—in the Soviet Union, a false front for totalitarian communism—will eventually rule the world.

Policywise, the communist strategy is changing from "aims of military conquest" to efforts at economic, political and ideological penetration of the Western World. However, there has not as yet—nor can we expect it in the near future—any swaying from the ultimate goal of world domination. Consequently, we must gear our policies and programs to a long-range struggle against communism.

Overall, however, I believe the Khrushchev visit may further "break the ice" for top level—and possibly more fruitful lower level—exchanges to attempt to iron out East-West differences.

In the light of these factors, real "proof" of willingness to effectively promote peace still demands of Khrushchev not words of peace, but deeds.

### Books and the Cold War

#### EXTENSION OF REMARKS OF

### HON. EUGENE J. McCARTHY

OF WISCONSIN

IN THE SENATE OF THE UNITED STATES

Tuesday, September 1, 1959

Mr. McCARTHY. Mr. President, I ask unanimous consent that my statement entitled "Books and the Cold War," together with a letter from Mr. Harry Agency, be printed in the CONGRESSIONAL RECORD.

There being no objection, the statement and letter were ordered to be printed in the RECORD, as follows:

#### STATEMENT BY SENATOR McCARTHY

I should like to recall for the RECORD the discussion about books and Soviet censorship which took place on the floor of the Senate near the end of last month.

At that time we were enlightened by spokesmen of both the conservative and liberal wings of the Republican Party who stood together in advising us that the administration had in response to the Soviet Union's demand removed certain books from the American exhibition at the Moscow Fair.

Of course, the administration was really not blamed. The role of other villains was stressed.

The distinguished Senator from New Hampshire [Mr. BRIDGES], representing the conservative wing of the Grand Old Party, entitled his remarks: "Wanted: A Liberal Crusade," and his open attack was on liberals in the Senate and throughout the Nation who were not riding to battle against the Soviet censors as he thought they should. He asked:

"Now the Soviet Union is openly and bluntly censoring the books in our American exhibit in Moscow. Do we hear the liberal bugles sounding the call to battle: Is the air filled with expressions of indignation and invective?" (CONGRESSIONAL RECORD, July 29, 1959, p. 14591).

With that provocation the senior Senator from Minnesota and the junior Senator did reply in order to establish, successfully I think, that in reality the removal of books was an administration decision, and if it represented a retreat, that it was an administration retreat.



Also in the course of that debate, I took the position that the primary responsibility of liberals is the defense of civil liberties and the protection of free access to information here in the United States. We are unable to control what is done everywhere in the world. Our first obligation is to set an example at home. Although we can protest censorship abroad and should give support to those who oppose it, it is not our basic responsibility.

I also had some reservations about the administration's responsibility. If the administration officials were guilty of cowardice, then, of course, that action should be protested. But it seemed to me that the critics should have heard the administration's side, so I wrote to the U.S. Information Service for the information on the contract under which the displays were agreed upon. A fair for the mutual exchange of exhibitions of "Science, Technology, and Culture" is not primarily the place for political debate. We are under no obligation to have cultural and scientific exchanges, but if we agree to attend them usually there are conditions attached.

I have received a reply to my letter from Mr. Harry Tyson Carter, General Counsel for USIA, and from his account of the terms of the agreement between the administration and the U.S.S.R., it seems to me that our friends on the other side started clamoring too soon for a liberal crusade. Mr. Carter writes that while there was no specific agreement on the books to be exhibited, "the agreement did specify with respect to souvenir buttons, emblems, mementos, and samples to be distributed (par. 5) and with respect to motion pictures and slides to be shown (par. 13) that each party would be given an opportunity to make, each to the other, recommendations with respect to the items to be distributed or to be shown."

"It was within the spirit of these provisions that Mr. McClellan received the objections of Soviet officials to the display of certain books. The United States has not accepted these objections as prohibitions, but merely as recommendations, reserving the final decision as to whether specific books will, or will not, be displayed."

"In this connection it should be pointed out that more than 8,000 books arrived in Moscow for the book exhibit. Some were immediately considered by Mr. McClellan to be inappropriate to the purposes of the exhibition."

I attach herewith a letter Mr. Carter wrote. The point is clear, I think.

I should now like to quote a few lines from the actual agreement between our Government and the Soviet Union. In the preamble it is stated that:

"As a mutual declaration of the spirit and intention which shall govern the interpretation and execution of the terms and conditions of this agreement, mention is made of the fact that the success of this exchange of exhibitions requires a substantial degree of flexibility and discretion for each party hereto to determine the scope, nature, and content of its exhibition. \* \* \* There is also, on this account, required and proffered, each to the other, a high degree of trust and co-operation to the end that each exhibition will be facilitated and made successful in furtherance of the mutually advantageous purposes of the above mentioned exchange agreements."

Section 13 of the agreement contains this sentence:

"Each party may show at its exhibition site such motion pictures or slides as it deems appropriate which would be cultural and nonpolitical in character, devoted to an objective presentation of various aspects of its science, technology, or culture."

These excerpts make clear, I believe, that the exhibition was to be nonpolitical in character and that there was an implicit obligation for each government to act in con-

formity with these general terms. Mr. McClellan, general manager of American exhibit, had the duty to exercise his judgment as to whether books selected fitted in with the spirit of the exhibition agreement. Mr. Carter also notes that as of August 7, with the exception of five books which Mr. McClellan had under study, "all books ever placed on the shelves at the exhibition (including those temporarily withheld during the process of final selection) have now been placed on public display."

I do not always find myself able to uphold the administration, but in this case I am happy to do so. I think the report indicates that Mr. McClellan exercised good judgment and acted in a manner consistent with American tradition and good manners. I trust that Mr. Carter's letter will show that this small tempest in a bookcase did not have the makings of a hurricane. The attack of Republicans in Congress should not have been directed at liberals or at the administration.

On the other hand, I believe this incident does highlight the important fact of the great value of books in the cold war. The use of the power of books to convey ideas and reflect and preserve the richness of American intellectual life and political thought is as important as our economic and military tactics.

Mr. Khrushchev has boasted that the Soviet Union will outproduce us. They may. It may well be that the Soviet Union is ahead of us in satellites. It may catch up with us in washing machines and color television. But the Soviet Union can never, without changing its system, catch up with us in the realm of ideas and the free expression of them. In this contest, our greatest strength is our intellectual creativity, including political thought, and books are the principal means of exporting our ideas. The one area in which the Soviet Union cannot compete and cannot even afford to try to compete is in the area of ideas. Books and the free discussion of the ideas they contain are decisive points of distinction and contrast between the democratic and the totalitarian way of life.

So while I do not think we can expect to use an official exhibition at the Moscow fair as the place of distributing books with liberal ideas, we can and should greatly expand our efforts to make books available to people all over the world.

To this end, I am pleased to see that Ambassador Lodge recently signed the Florence agreement for the United States. This agreement, which provides for the reciprocal elimination of trade barriers on the importation of educational, scientific and cultural materials, was approved by the General Conference of UNESCO in Florence, Italy. It has already been ratified by 31 countries. Contracting states to the agreement grant duty-free entry, under prescribed conditions, to a wide range of materials, including books, publications, and documents. The agreement has been in effect since 1952 and we should have been among the first to ratify it. It will greatly facilitate the exportation of books and other scientific and cultural materials from the United States to other countries. It will be also benefit our own citizens, since they will be relieved of the 5-percent ad valorem U.S. tariff on current books in the English language and the 7½-percent tariff on printed music.

The Florence agreement was received by the Senate last week on August 25 and has already been referred to the Committee on Foreign Relations. As one of the Senators appointed by the Secretary of State to the U.S. National Commission for UNESCO, I urge its approval. Against the background of the importance of books in the cold war, the ratification of the Florence agreement will be a significant step.

U.S. INFORMATION AGENCY,

Washington, August 13, 1959.

The Honorable EUGENE J. MCCARTHY,  
U.S. Senate.

DEAR SENATOR MCCARTHY: This is in reply to your letter of August 5, 1959, concerning the book exhibit at the American national exhibition in Moscow.

As regard your specific inquiries, there was no agreement in advance concerning the books to be exhibited. The exchange of exhibitions with the Soviet Union grew out of the basic agreement on cultural, technical, and educational exchanges signed in Washington on January 27, 1958. A protocol agreement of September 10, 1958, called for an exchange of exhibits in the summer of 1959 devoted to the demonstration of the development of science, technology, and culture. This protocol agreement was implemented by a more detailed agreement between the United States and the All-Union Chamber of Commerce of the U.S.S.R. executed on December 29, 1958. A copy of this agreement, which is the basic document relating to this exhibition, is enclosed.

As you will observe, there is no reference whatsoever to books in this agreement. The basic understanding as to the content of the reciprocal exhibitions (always within the framework of "science, technology, and culture") is expressed only in the preamble to the agreement.

However, the agreement did specify with respect to souvenir buttons, emblems, mementos, and samples to be distributed (par. 5) and with respect to motion pictures and slides to be shown (par. 13) that each party would be given an opportunity to make, each to the other, recommendations with respect to the items to be distributed or to be shown.

It was within the spirit of these provisions that Mr. McClellan received the objections of Soviet officials to the display of certain books. The United States has not accepted these objections as prohibitions, but merely as recommendations, reserving the final decision as to whether specific books will, or will not, be displayed.

In this connection it should be pointed out that more than 8,000 books arrived in Moscow for the book exhibit. Some were immediately considered by Mr. McClellan to be inappropriate to the purposes of the exhibition. Certain others were sent to the exhibition site and placed on the shelves for the purpose of selection and arrangement, but were withdrawn prior to public display. It was principally these books which were involved in the controversies reported in the press. Mr. McClellan could not personally check these books overnight and thus postponed judgment on some selections until after the exhibition officially opened to permit adequate study.

Subsequent to the opening of the exhibition, Soviet officials requested that five books be withdrawn. Mr. McClellan removed these five from the shelves for review in order to consider the Soviet recommendation.

As of August 7 Mr. McClellan reported that, with the exception of the five books referred to above, all books ever placed on the shelves at the exhibition (including those temporarily withheld during the process of final selection) have now been placed on public display.

The titles of the five books under review are as follows: Wallbank's "Man's Story"; Miller's "Archeology in the Soviet Union"; "World Topics Year Book of 1959"; "Britannica Book of the Year 1959"; "85th Congress, 1st Session, Soviet Economic Growth: A Comparison with the United States."

The criteria which Mr. McClellan will apply in deciding whether or not to return any or all of the five books to the shelves is simply a commonsense judgment as to whether or not display of the books is in furtherance of

the intent and objectives of the agreement for a reciprocal exchange of exhibitions.

In closing I might note that reports from Moscow consistently rate our book exhibit as one of the most effective of the entire exhibition. No doubt you have noticed this in the press.

If we can be of further assistance, please let me know.

Sincerely,

HARRY TYSON CARTER,  
General Counsel and  
Congressional Liaison.

## Veterans of Foreign Wars 60th Anniversary

### EXTENSION OF REMARKS OF

**HON. HAROLD C. OSTERTAG**

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, September 1, 1959*

Mr. OSTERTAG. Mr. Speaker, I wish to join in saluting the diamond jubilee anniversary of the Veterans of Foreign Wars of the United States. This makes 60 years of patriotic service by one of the finest veterans' organizations of our time. They are a proud organization, proud of their beginning and proud of their continued zeal in the welfare of the Nation, the State, and the community. Their type of achievements and leadership makes me truly proud and honored that I have been a member of this great organization for over 40 years.

Since 1899, the national membership has grown to 1,200,000. In the Empire State of New York alone the membership now totals 67,842.

The members of the VFW, who cherish wearing the Cross of Malta, the emblem of the VFW, are veterans of an organization unique in its eligibility requirements. To join its ranks, a man must be able to produce an honorable discharge from the Army, Navy, Marine Corps, Air Force, or Coast Guard, showing "service honest and faithful" in time of war in a theater of operation.

It matters not whether that service was on the frozen plains of the Arctic, in the battles of Chateau-Thierry, or St. Lo, in the steaming jungles of the Philippines, Guadalcanal, or Burma; at Iwo Jima or the Chosin Reservoir, Bunker Hill, the Inchon landing, the liberation of Seoul; or in the mountains of Korea—the members of the VFW walk with their heads high.

From the beginning, under the leadership of Gen. Irving Hale, to the present commander in chief, John W. Mahan, the VFW has pledged to defend the principles of human rights in times of peace and war.

The greatest legislative assembly in the world, the Congress of the United States, granted the VFW a charter. In this charter the purpose of the organization is clearly defined. To preserve and strengthen comradeship among its members; to assist worthy comrades; to perpetuate the memory of our dead and to assist their widows and orphans; to maintain true allegiance to the Govern-

ment of the United States of America and fidelity to its Constitution and laws; to foster true patriotism; to maintain and extend the institutions of American freedom; and to preserve and defend the United States from all her enemies whomsoever.

The VFW, with its rich heritage, has always been in the forefront to provide aid and assistance to its members and families. The record of legislation with its analysis, submitted monthly by our able director of national legislative service, Omar B. Ketchum and his staff, keep the VFW members well informed as to action on bills in Congress.

Throughout the Nation, in large and small communities, the VFW has sponsored and successfully carried out various projects beneficial to civic welfare, schools and churches, and to our youth. One outstanding project, and one which is very successful, is the national home at Eaton Rapids, Mich. This is the refuge for children whose fathers were totally disabled or are deceased. It is a splendid example of what any group of determined and public-spirited citizens can do.

As members of the VFW, we assume without reservation our responsibilities to maintain, strengthen, and defend the institutions of American liberty.

As the name implies, Veterans of Foreign Wars of the United States is an organization of men who have fought behind Old Glory in many foreign lands. These are the men who crushed foreign tyrants; these are the men who have proved their patriotism by offering their bodies and souls so that liberty should not perish from the earth, and American ideals and institutions might be preserved for posterity.

## Prayers, Not Cheers, for Nikita Khrushchev

### EXTENSION OF REMARKS OF

**HON. STYLES BRIDGES**

OF NEW HAMPSHIRE

IN THE SENATE OF THE UNITED STATES

*Tuesday, September 1, 1959*

Mr. BRIDGES. Mr. President, one of New Hampshire's most outstanding weekly newspapers, the Hampton Union, which has staunchly opposed inviting Khrushchev to visit this country, last week endorsed the proposal of Americans for Constitutional Action that the forthcoming visit be offset by prayer.

In his fine editorial, Publisher Edward Seavey urges that prayers be raised instead of cheers when the Soviet Premier arrives. I ask unanimous consent, Mr. President, that this excellent editorial be printed in the CONGRESSIONAL RECORD and I commend it to the attention of my colleagues.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

#### PRAYERS, NOT CHEERS

Nikita Khrushchev's 12-day itinerary in the United States appears already to have

been worked out in considerable detail—with official Washington taking the brunt of it and the only other cities to be infected being New York, Pittsburgh, Los Angeles, and San Francisco. The Soviets themselves have turned down more elaborate and extensive inspection of the Nation for the fairly obvious reason that they do not wish to be obligated to show President Eisenhower very much of the "people's paradise."

Included among the turndowns, we assume, is the ill-advised invitation by the president of the New Hampshire Weekly Publishers Association for the "Butcher of Budapest" to attend the fall meeting of the New England Weekly Publishers to be held at the Crawford House for which the Granite State editors are serving as hosts.

This newspaper's position on the Khrushchev visit is too well known to bother with disassociating ourselves with any such invitation and misguided concept of the value of a free exchange of ideas.

To speak of freedom and Khrushchev in the same breath is the height of foolishness. The Soviet leader is the living symbol of communism—an ideology that recognizes no personal dignity or freedom and which is dedicated to destroy everything America stands for. And no visit to our free land is going to alter that course one iota.

Senator STYLES BRIDGES ably summed up our feelings on the matter in a statement this week from Washington:

"My position in regard to the visit of Khrushchev to this country is well known. I am opposed to it, and I have been opposed to it. The invitation, however, has been extended and accepted, so we must view the visit in the light of this situation. The courtesy of proper protocol must be observed and the bad manners heckling which Vice President Nixon underwent must not be repeated here.

"On the other hand, we should not let the traditional optimism of a free people, living a life of abundance, become the inadvertent launching pad for a Soviet propaganda missile aimed at our destruction.

"All people of the free world must realize that in inviting Khrushchev here, and in a proposed return visit to Russia on the part of President Eisenhower, a calculated but nonetheless grave risk is being taken. We must not again fall into the error of personal diplomacy, which led us into the tragedies of Teheran, Yalta, and Potsdam. Let any agreements that may be reached in these visits be a matter of public record immediately.

"From the recent Nixon talks with Khrushchev, it is apparent that Russia suffers from a vast inferiority complex and that Khrushchev is the personification of that national feeling. The rationalization of an inferiority complex is a subconscious tendency to overestimate one's ability. Khrushchev's visit to this country can be of value in demonstrating to him our military and economic strength, on the one hand, and on the other, the solidarity of purpose of the American people. Such an education, while it might not halt his tirades against this country, would at least establish the fact that he spoke in terms of falsehood rather than plain ignorance.

"A return visit by President Eisenhower would again demonstrate to the Russian people, as did Vice President Nixon's visit, that we are interested in solving world problems on a peaceable basis and not as the warmongers their Kremlin masters picture us.

"The dangers, on the other hand, are many. Already there are those who would relax somewhat in our all-out effort on the basis of the fact that visits have been tentatively scheduled. This is utter folly since no one can foresee the attitudes and issues which may develop. The exchange will be fraught with propaganda pitfalls which the Russian leaders are only too willing to distort to their own advantage.



"The American people must view the exchange of visits as an experiment or a new approach in dealing with the Soviet Union. The invitation to Khrushchev, for which he has angled for some time, should not be hailed as a positive accomplishment in the area of our relations with the Soviet Union. It would be tragic indeed if the lessons of sputnik melted away in the thaw of a Khrushchev smile."

While there are those who hope that a mighty public protest against the visit may still cause its indefinite postponement, most Americans have resigned themselves to the eventuality and all sorts of suggestions have been forthcoming as to how we should receive the Russian demagog.

The best to date, we believe, is the thinking and planning of Adm. Ben Moreell, USN (retired), who, as chairman of Americans for Constitutional Action, is urging that the blight of the Khrushchev visit be offset by prayer.

In a letter to churchmen, Admiral Moreell reported that they had invited members of 19 patriotic organizations representing 10 million Americans to discuss with them an appropriate posture regarding the Khrushchev visit.

"There was general agreement," he wrote, "that since we are a people whose trust is in God . . . the moral implications of the visit far outweigh all the others."

"The question arises then whether, by inviting this visitor to our shores, we give implied moral sanction to his past record and whether, by our action, we endorse the extreme cruelties visited by the Soviet Union on enslaved peoples."

"In light of these thoughts, there was general consensus that, while we should refrain from any demonstrations of hostility, it would be right and proper that Mr. Khrushchev's arrival . . . be set aside as a day of prayer in all the churches of the land. . . . In like manner, special church services should be conducted in each city on the day of Mr. Khrushchev's visit."

Swift approval of the Moreell plan came from Evangelist Billy Graham who said: "I heartily endorse Admiral Moreell's proposal that Premier Khrushchev's day of arrival should occasion a day of prayer on the part of the Nation. . . . May this be an occasion that we conform our national life with our usual boast that God is our trust."

And finally, may those who love their country and detest the things Khrushchev stands for, do their very best to see that this ogre is paraded through empty streets.

## Report on Missile Management

### EXTENSION OF REMARKS OF

**HON. CHET HOLIFIELD**

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 1, 1959

Mr. HOLIFIELD. Mr. Speaker, I would like to call to the attention of the Congress a report just issued by the Military Operations Subcommittee of which I am chairman. This report is a factual study and systematic account of our major missile programs. It describes in some detail the resources, procedures, and special agencies that have been acquired or established for prosecuting this all-important missile effort. This report was unanimously approved by the full Committee on Government Operations under the distinguished leadership of Chairman WILLIAM L. DAWSON.

The missile programs play an increasingly vital role in the defensive strength of our country. The tremendous costs and expenditures involved in acquiring a missile capability alone demand that careful scrutiny be exercised in this field. The Military Operations Subcommittee has attempted to analyze the missile program from several points of view with objectivity and thoroughness.

We have carefully reviewed the agencies and committees and individual offices at the Department of Defense level over the past 10 years for directing and coordinating the missile effort. We have demonstrated the problems involved in attempting to achieve effective top-level control and the bewildering array of mechanisms that have been set up in the process. While this review may be critical, it is not carping. We have set forth the facts as we have found them. We have set them forth fairly and without partisanship or prejudice to any service.

The Military Operations Subcommittee has analyzed the procurement and management methods used by the military services in the missile programs. We have shown that the priorities assigned to these programs have often resulted in the creation of ad hoc agencies and the necessary circumvention of ordinary procurement procedures. While we have pointed out the tremendous waste involved, we have tried to show that the imminence of the Soviet threat and the urgent need for operational missiles were partly responsible.

The report sets forth a detailed account of the Air Force ballistic missile program starting with the Von Neumann committee's recommendations in 1953 that an ICBM program was feasible and should be undertaken.

After public hearings and visits to the Ballistic Missile Division on the west coast we have analyzed the circumstances under which Ramo-Wooldridge Corp. and its successor Space Technology Laboratories became enmeshed in the Air Force program. We have analyzed this company's relationship to the Air Force and the role it plays as a private concern sitting behind Government desks and helping to make governmental decisions. There has been a great deal of concern in the Congress and elsewhere over the tremendous power and responsibility exercised by Space Technology Laboratories. We have proposed that if this same relationship is to continue in the future the company must be converted into a nonprofit institution similar to the Rand Corp., the Jet Propulsion Laboratory, the Allied Physics Laboratory of Johns Hopkins University, and others.

We have spelled out in some detail the controversy over the Thor and Jupiter missiles. We have reviewed the recurring problem of duplication and overlapping roles and missions in the field of air defense. We have discussed the role of the military in space and the problems that have been created by the establishment of an Advanced Research Projects Agency in the Department of Defense and a new independent civilian space agency, the National Aeronautics and Space Administration.

The subcommittee has directed its attention primarily to land-based strategic missiles. We have found that the basic clash in the ballistic missile field is between the Army and the Air Force. After careful study we have concluded that duplication, waste and interservice rivalries will continue unless the Air Force and the Army "join hands in a single service effort." Our report has called upon the President to initiate studies looking to an Army-Air Force merger.

These strategic missiles are the decisive weapons of the coming decade—decisive for the strategy of deterrence and retaliation. These weapons, however, have no unique service orientation. Land-based missiles can be built and fired by the Air Force or the Army equally well. This creates a dilemma for both services. The Air Force now has operation control over all land-based strategic missiles, but this fact had nothing to do with the basic reasons for creating a separate Air Force. The Army faces a bleak future under prevailing roles and missions assignments which bar it from any part in deployment of the weapons that are to dominate global military strategy.

As the report states, "no amount of effort spent in clarifying roles and missions can overcome the ruthless logic of weapon technology."

While we believe that an Army-Air Force merger would by no means solve all of the problems of military organization and command relationships, it would solve many and lay the groundwork for the solution of others.

With the full cooperation of all the subcommittee members and the military services we have submitted a report which carefully and objectively tells a story which is of great concern to all of us. I believe that this report will cast light on little-known factors involved in the complex missile effort and contribute to everyone's understanding of the successes achieved and the problems that lie ahead. It will show that the nature and rapidity of missile and space technology demand a reappraisal of organizational arrangements in the Department of Defense.

## Gasoline Tax Bill

### EXTENSION OF REMARKS OF

**HON. PHILIP J. PHILBIN**

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 1, 1959

Mr. PHILBIN. Mr. Speaker, I have most vigorously supported and propose to continue to support the Federal highway construction program, which in my judgment is urgently needed to improve our national vehicular transportation travel and for the public safety.

When this program was first adopted by the Congress, adequate long-range financing measures were also adopted. While it is true that since that time, original costs of estimates on various

parts of the program have increased, the original formula for raising and disbursing the funds required to advance and ultimately complete this great national project is just as sound today as when it was first proposed and adopted.

The diversion of earmarked funds has most unfortunately reduced receipts from the wide range of excise taxes which together with appropriated funds if undiverted would produce more than enough to meet all the Federal obligations under the road program and defray all necessary costs. There are several strong reasons why I do not believe that it is either necessary, or in the interest of sound principles of taxation, to impose additional taxes on gasoline.

In the first place, current gasoline taxes fall with especially heavy impact upon the American people. Heretofore, the gasoline tax had been considered to be a proper area for State taxation. In some States this taxation, imposed on gasoline at present constitutes more than 40 percent of the total purchase price of a gallon of gas.

To my mind, this is not taxation; it is a form of confiscation most oppressive in its effects. Secondly, the gasoline tax strikes at the more than 65 million automobile owners in the Nation who are required to use gas, and it thus imposes onerous taxation on ordinary consumers who are already very heavily taxed.

Moreover, as I pointed out above, it is entirely possible, feasible, equitable, and proper that Congress should and can finance this great roadbuilding program without further taxation on gasoline.

In addition, extensive roadbuilding construction overseas has been financed under the foreign aid program without the adoption of special taxes to pay the cost thereof.

I can see no logic and certainly no need or sound reason for placing additional special taxation of this kind upon American consumers. The Congress can and should provide all the funds needed to finance the program without the imposition of additional heavy special taxes.

I cannot possibly accept the argument that has been advanced here that failure to adopt this tax would bring the road program to a halt because Congress has readily at hand the means of financing the program on a solid, fundamental basis and should not hesitate to do so. This tax is discriminatory against the use of automobiles, other vehicles, and consumers, and against several great American industries and their employees and I cannot find any justification whatsoever in supporting it.

I think that the present taxes on the people and on business are already truly extortionate in many instances and are causing inestimable damage to our high American standards of living as well as to the fundamental operation of our great free enterprise system, and I express regret that Congress even proposes to add to these heavy burdens which are afflicting our people as a whole and seriously impairing the spirit and the incentives of private initiative. I greatly deplore this excessive taxation and I believe Congress should bring it down to

fair, reasonable, unoppressive levels, if we have to stay here until Christmas to do it.

At this time, we need lower taxes, not higher taxes. If we could secure lower taxes, it would bring untold benefits to the Nation, to the American public, and to American businessmen, especially the small businessmen who are struggling so hard these days to make both ends meet. In addition, lower taxes would, in my humble judgment, produce higher revenues in the long run and thus assist in balancing the budget and reducing the national debt—two goals which I believe are of greatest import to the future prosperity and well-being of this Nation.

### Why Not Tell Me Face to Face?—That Is the True American Way

#### EXTENSION OF REMARKS OF

HON. BEN F. JENSEN

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 1, 1959

Mr. JENSEN. Mr. Speaker, under leave to extend by remarks in the RECORD, I will include a letter I have written to a number of people in the Seventh Congressional District of Iowa which I have the honor to represent. This letter relates to certain unwarranted criticism by the Governor of Iowa of the position I have taken through the years on Federal appropriations for public works projects, as follows:

CONGRESS OF THE UNITED STATES,  
HOUSE OF REPRESENTATIVES,  
Washington, D.C., August 27, 1959.

DEAR FRIEND: On last May 7 Herschel Loveless, Governor of the great State of Iowa, had a prepared statement read by another at a hearing of the House Public Works Appropriations Committee, of which I am the top Republican member. In that statement he listed six other States which had received more funds for public works than had the State of Iowa—for which he blamed Iowa Congressmen—but he failed to state that Iowa had received over the past years more public funds for flood control, river bank stabilization, soil conservation and valley watershed projects than had other States of the Union.

Congressman CARTER, of Iowa, a Democrat, was present at that hearing to testify in favor of several Iowa projects, and he heard the Governor's statement read—after which, he had this to say in part:

"Mr. CARTER. I want to make a record here expressing my personal gratitude as the Representative of the Fourth Congressional District to my friend, BEN JENSEN, whose district joins mine, for his efforts in behalf of the great Commonwealth of Iowa in this respect. He knows what he is talking about, and knows what he is doing." See page 1618 of the hearings.

Then on June 19 last, Mr. Loveless had another prepared statement submitted by another person to the Senate Public Works Committee of Appropriations. He saw fit to severely criticize me without naming me—but it is crystal clear he meant none other than BEN F. JENSEN. He criticized my speech of May 4, in which I exposed a well organized group of Communists and Socialists in the U.S.A., who planned and schemed for years to get control of our entire Government by estab-

lishing River Valley Authorities patterned after the Tennessee Valley Authority. In Mr. Loveless' prepared statement to that committee, and I quote in part from the hearings, page 257: "Recently a Member of Congress from Iowa has attacked the power programs of the Federal Government, which have been made possible by money appropriated by Congress. While he included all the Federal programs in his attack, he was especially vitriolic in his attack on TVA. As Governor of his State, I wish expressly to disassociate myself from his remarks. I am positive that he does not speak for the people of Iowa." Please find herewith enclosed my speech of May 4, which Mr. Loveless referred. I trust you will read every word, then decide for yourself which of us speaks best for the people of Iowa.

A number of Members of Congress, all senior to me in service, have told me that they had never known of a Governor of any State submitting a statement, or making a statement in person, to any committee of Congress critical of a Member of Congress from his own State. Such a performance was new to them. Hence, the Governor of the great State of Iowa has established some kind of a new record.

Facts are, that I have supported such federally financed projects as could be justified, and I have opposed such federally financed projects which it was plain to see could not be justified by facts and figures.

In Mr. Loveless' prepared statement to the Senate committee, he inferred that Iowa Congressmen should support the Public Works projects for all other States in order that Congressmen from other States would support Iowa projects. Had the House Public Works Appropriations Committee approved funds for all projects requested by 243 Members of Congress who appeared before our committee this session, along with 1150 interested people from every State in the Union, our Public Works Appropriations bill would have called for an expenditure of over \$2½ billion instead of a little \$1½ billion, which was the exact amount requested by President Eisenhower.

In closing may I say to you, it has afforded me no pleasure to write this letter, but I am sure the people of the Seventh Iowa District, whom I have the honor to represent in Congress, would expect me to state these facts in order to set the record straight.

Sincerely yours,

BEN F. JENSEN.

Now, Mr. Speaker, I also wish to make reference to the action of our colleague from the State of Tennessee [Mr. EVINS] in inserting in the CONGRESSIONAL RECORD for August 17, 1959, a statement that was highly critical of me and which included a reference to Governor Loveless' attack on me. Congressional courtesy requires that a Member be informed in advance if a personal attack or criticism is to be made by another Member, either on the floor of the House or through an insertion in the RECORD. Why not tell me face to face?

"What is in the heart, let the mouth speak." Thus was I taught by my parents. Because I have spoken out against the things which in my heart I believe to be contrary to the welfare of our beloved country, I have been attacked as an extremist and accused of being intemperate with respect to my contention that TVA is a socialistic autocratic empire within our free Republic.

On August 10, 1959, under permission to extend my remarks in the RECORD, I included excerpts from a newsletter of August 9, 1959, written by Mr. Thurman



Sensing, executive vice president of the Southern States Industrial Council, of Nashville, Tenn. This Tennessean, Mr. Sensing, is fully aware of the socialistic nature of the TVA, notwithstanding the statements to the contrary by Mr. EVINS or any other apologist for the TVA.

It is to be noted that Mr. EVINS made no reference whatsoever to the statements of Mr. Sensing, of Nashville, Tenn., located right in the heart of the TVA area, even though Mr. Sensing's statements were the basis for my remarks. It was this Tennessean who, with firsthand knowledge of the operations of TVA, said that—

A Senator has written the President a letter urging him by all means to have Mr. Khrushchev include a survey of the TVA in his tour of the United States. Well, if the thought is to make him feel at home, we should say that is a pretty good idea—because he will certainly find no free enterprise there. But what is Mr. Khrushchev himself to think, when we parade the TVA before him with pride, than that we are already aping his philosophy of state ownership and state control—and that we are already on our way toward making his prophecy about our grandchildren come true? We all want peace, yes; but must we obtain it at the expense of consorting with Communists and by the loss of our self-respect?

The prophecy referred to by Mr. Sensing was the Khrushchev statement that our grandchildren would be living under socialism.

Now I have no apologies whatsoever for my contentions that TVA is a socialistic autocratic empire within our free Republic; but I do think that Mr. EVINS might have let his readers know that the thought that Khrushchev would feel at home in making a survey of the TVA was not mine but originated in the TVA area itself.

The realization that TVA is socialistic is not a recent one. Speakers on the floor of the House at the time the original TVA bill was passed in 1933 referred to it in terms such as these:

Representative RICH. It is socialism and Russianism on a gigantic scale.

Representative EATON. This bill, and every bill like it, is simply an attempt to graft on our American system the Russian idea and make the Government everything and the citizen nothing.

And upon its passage, Norman Thomas, the perennial socialistic candidate for President, so aptly described TVA as "the only genuinely socialistic act in the New Deal—a flower in the midst of weeds."

Nor am I alone in the thought that TVA has not been the blessing TVA and its proponents would have us believe. An outspoken editor of a newspaper published at Tupelo, Miss., in the TVA area itself had this to say after 20 years of TVA:

The time has come for TVA to back up and admit that the fastest growth in the South actually has taken place outside the TVA area and we who live within its borders are still as a whole just about the poorest people in America.

This of course would be quite true. For with the exception of giant projects like the Oak Ridge atomic energy plant that Uncle Sam has plunked down in Tennessee, the TVA area has shown less rapid indus-

trial growth than several other portions of the South.

And in income, the TVA area is still dollar for dollar further behind the national average than it was in 1933 when the Tennessee Valley Authority was first established.

Mr. EVINS says if Mr. Khrushchev is invited to visit Tennessee, that his people will proudly show TVA to him—the world's greatest example of water resource development—where floods have been harnessed, navigation and commerce promoted, and where great hydroelectric power dams produce low-cost electricity for sale to the people and for the defense of our country."

Will Mr. EVINS and his fellow Tennesseans tell Mr. Khrushchev that the harnessing of the floods was done by permanently flooding hundreds of thousands of acres of the finest land in Tennessee, an action which a president of the University of Tennessee protested long and loud? Will Mr. Khrushchev be told that the so-called low-cost electricity was made possible only through a subsidy by the taxpayers of the Nation, who have furnished in round figures \$2 billion—interest free and Federal tax free—for the construction of the TVA dams and powerplants? Will Mr. Khrushchev be told that the TVA, while claiming credit for pioneering farm electrification, for nearly 20 years consistently lagged behind the country as a whole in the percentage of farms electrified? Will it be pointed out to Mr. Khrushchev that only a few years ago a TVA spokesman admitted only one out of four farms in the TVA area had running water? This compares with a national average of more than double the TVA area, with a number of States in which more than 9 out of 10 of the farms have running water.

Mr. EVINS denounces what he refers to as the implications in my remarks of August 11, 1959 to the effect that the people of Tennessee are accepting and living with a communistic institution in their midst; that those who voted for, and the President who signed the recent revisions of the TVA Act, indicated acceptance of communistic ideas by such action. Of course, Mr. EVINS is free to read whatever implications he wants to into my statement or anyone else's statement in the CONGRESSIONAL RECORD; but that does not make his interpretation a valid one. The record over the years of the TVA—from its inception in 1933 as a navigation and flood-control project with incidental development of electric power, to its present day growth into a gigantic autocratic electric power empire—is one of progressive usurpation of powers which TVA itself contended earlier it did not have nor contemplate. That the Congress later condoned such progressive usurpation of powers, over the years, does not make it right nor change the socialistic nature of TVA.

I did not say TVA was communistic, but if Mr. EVINS or anyone else believes there is so little difference between socialism and communism that they are inclined to treat the two as synonymous, that is their privilege. I would have to agree that there is not a great difference

between the two. Socialism destroys freedom by degrees, communism kills freedom by one death blow.

Mr. EVINS in a reference to visits of Russian Communists to farms in the State of Iowa appears to classify the individualistic free enterprise of farming in Iowa with that of the socialistic power program of the TVA. Nothing could be farther apart. I am sure the people in my district realize that a farmer in Iowa who pays Federal taxes and who buys his own farm and provides for his own farm machinery, stock and other operating costs, with his own funds or funds borrowed from a bank, could not compete in the marketplace with a farmer who pays no Federal tax and who is furnished interest free Federal funds to buy his farm and to provide the capital to operate it. To say that this same comparable sort of program under which TVA has been operating is not socialistic is to deny Webster's or any other universal definition of socialism.

Mr. EVINS charges that I do a disservice to the people of Iowa when I point out the dangers of letting socialism—as exemplified in TVA—spread to the other river basins in the Nation. May I assure my colleague that an overwhelming majority of the people of Iowa back my stand against the expansion of socialism, which poses a constant threat to our great Nation and to individual freedom—the statements of Mr. EVINS and the Governor of Iowa notwithstanding.

Thousands of patriotic Americans from every section of the United States of America have requested a copy of my speech of May 4 last entitled "The Power Not To Tax Is Also the Power To Destroy—Socialism or Freedom for America." Because of this great demand, I now have a supply on hand and will be pleased to send a copy to anyone requesting same. I can assure you the reading of this speech will open the eyes of any patriotic American.

Mr. Speaker, this is not the first time an attempt has been made to ridicule me for being a conservative. I am proud to admit that I believe in being conservative with the inherent constitutional liberties of the American people and with the taxpayers' hard-earned dollars. I also believe each section of our great Nation should pay its fair share of the cost of government in keeping with the constitutional requirement. And that the Federal Government should not be called upon to provide for those services for which the people can provide for themselves.

If believing in and fighting for the Constitution of the United States and the individual freedoms which it provides is being an extremist, then I plead guilty to the charge. If belief in the American principle of free enterprise which has made this Nation great makes an extremist of me, as Mr. EVINS charges, then I plead guilty to the charge before man and God.

Mr. Speaker, I think it is better to be an extremist in the defense of the Constitution and the freedoms and principles for which it stands than to be a modern liberal. The American people have long ago correctly defined a modern liberal as one who is liberal with the

people's inherent liberties and liberal with the taxpayers' hard-earned dollars and who desires the creation of an all-powerful autocratic central government which will look out for us from the cradle to the grave. Whether you call it socialism or some other name matters not. In my estimation it is contrary to the constitutional rights and principles upon which this great Nation was founded.

In regard to the recent passage of the so-called TVA bond bill which Mr. EVINS referred to, it is of interest to note that the entire Republican membership of the House Public Works Committee voted against reporting the bill out of the committee. And in the vote on final passage of this bill, 138 Republican Congressmen were joined by 32 Democrats in voting against passage. Only seven Republicans voted for passage. It can be seen that I am not alone by a long shot in my opposition to giving TVA practically unlimited power to operate without proper executive and congressional control. For those who think TVA is under proper control, I should like to end my statement with a quote from a recent issue of the Congressional Quarterly:

A TVA spokesman said TVA would not be bound to follow any recommendations that the President made about its expansion plans.

### **The Landrum-Griffin Bill Spells Out the Basic Rights of the Worker, the Union, the Business Community, and the American Public in General**

#### **EXTENSION OF REMARKS OF**

#### **HON. HAROLD R. COLLIER**

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 1, 1959

Mr. COLLIER. Mr. Speaker, few issues before the Congress of the United States have been as punctuated with emotion, heated controversy, misinformation, and contradiction as the labor reform measure of 1959.

Actually, one must sensibly analyze and appraise the structure of our present day economy and its basic goals to properly appraise the issue in its proper perspective.

We must not forget for 1 minute that everyone living in a democracy such as ours has certain rights. These rights are both legal and moral and must remain so if we are to preserve a proper balance in our society.

Can anyone deny that every man seeking to earn a living has the right to pursue his trade or occupation in the best interest of his own standard of living as well as for his family? Under his constitutional rights and freedoms he must not be forced to pay tribute nor be subjected to forced labor.

Labor unions and their leaders must be provided with the same right to peaceably organize and represent employees in collective bargaining to secure a good

standard of wages and better working conditions for their members.

The business community, on the other hand, must be provided the right under the law to do business by the same standards and to show a profit for their investment of time, money, and effort.

The American public has the right to expect that these forces within our gigantic economy maintain a relationship which is not detrimental to the general welfare of the public.

Because in years gone by, management engaged in a selfish drive for power and profits with little regard for the welfare of the individual worker, labor unions organized for the collective protection of the workingman. How necessary this was when one considers the old days of the sweatshop, poor working conditions in the shop, child labor, and inadequate wages. It became necessary for Federal law to provide protection of the individual to be represented by a union and to permit the union to speak for him.

In 1935 Congress passed the Wagner Act at a time when organized labor was still struggling for survival. It was during this era that Congress gave union leaders an almost absolute right to picket, strike, or treat employers in any way they desired just as long as the objective was to bring employees into the union.

Laws have different effects upon our way of life under different economic conditions, and it is the job of Congress to constantly consider the rights of all segments of our economy, to protect the rights of all people and to maintain a degree of balance necessary to the best interests of the American public in general.

In 1947 Congress passed the Taft-Hartley law because this picture became so totally out of balance that establishing ground rules became necessary to the very survival of the business community. At any time the power of any group or individual is curtailed by law, one must expect the emotional shouting of that particular group. So it was at the time of Taft-Hartley. Union leaders charged that passage of this law would ruin organized labor and would create slave labor throughout industry if it were ever enacted. Many of the same folks who made these allegations were those who charged the House-passed Landrum-Griffin bill, which I supported, was a union buster and antilabor legislation.

Yet, 12 years after passage of what union bosses called the slave labor Taft-Hartley law, we find American labor with the highest wages and best working conditions in the history of this Nation. We find, too, union membership across the country has increased by nearly 3 million members since the Taft-Hartley law was passed. In all fairness, does it not seem understandable that the same wild charges against Landrum-Griffin failed to modify the judgment of nearly two-thirds of the membership of the House of Representatives?

It is ridiculous to say that the House-passed bill is in any manner of means a union buster. If it is ultimately enacted into law in a form resembling that which was approved by the House, it

will do nothing more than cure some of the abuses which unfortunately put a stigma upon the many honest and sincere labor organizations.

The Landrum-Griffin bill does not interfere in any way with the collective bargaining rights of organized labor in a dispute between union and management.

It does not prohibit picketing in such disputes.

It does not attempt to tell any labor organization how it may spend its dues and funds.

It does not prevent proper recourse against management where legitimate contracts exist.

It does not curb the legitimate objectives of organized labor.

The Landrum-Griffin bill does provide equal rights to union members in the conduct of their union affairs.

It does provide freedom of speech and assembly for union members to meet and assemble with each other, to freely express their views and to speak up at union meetings without reprisal by union bosses. Makes the use of force or violence to deny such rights a crime.

It does prohibit increases in dues, initiation fees and assessments, or imposition of general or special assessments by labor bosses except by vote of the membership.

It does grant a union member the right to take court or administrative action against his union or its officers, after his right to a union hearing within a 4-month period is exercised.

It does guarantee workers the right to a hearing to prevent improper fine or penalty imposed by labor bosses.

It does provide for free and fair union elections by secret ballot, with opportunity for the nomination of candidates, elections at reasonable intervals, no reprisals for supporting any particular candidate, no use of union or employee money to influence elections, membership lists made available to candidates to insure membership of election information.

It does provide machinery for members to remove crooked officials by making possible court-ordered elections by members to remove such crooked union officials.

It does provide for the protection of union funds by making union officials give members a full accounting of union funds, with penalties for misuse of funds.

It does provide for the regulation of trusteeships and prevents power-hungry labor bosses from using dummy locals to force themselves on unwilling union members.

It does provide for the protection of economic strikers against the use of strikebreakers' votes in NLRB elections.

It does provide for allowance of union security agreements by building-trades unions, before hiring, with employees in the construction industry.

It does end no man's land, giving union member and employer a court or board remedy to enforce his rights under the law where NLRB refuses to hear such cases.

These are 12 things that the Landrum-Griffin reform bill does to benefit union



members. These are 12 reasons why I joined with the majority of the Members of the House of Representatives in supporting it.

### Federal Aviation Agency's Position on Serving Alcoholic Beverages in Aircraft

#### EXTENSION OF REMARKS OF

**HON. THOMAS J. LANE**

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 1, 1959

Mr. LANE. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to include my letter addressed to the Federal Aviation Agency and the reply received from Mr. E. R. Quesada, the administrator:

CONGRESS OF THE UNITED STATES,  
HOUSE OF REPRESENTATIVES,  
Washington, D.C., July 22, 1959.

Re proposed amendments sections 40.371, 41.135, and 42.65 of the Civil Air Regulations.

Mr. JAMES T. PYLE,  
Acting Administrator, Federal Aviation Agency, Washington, D.C.

DEAR MR. PYLE: Pursuant to the notice set forth in the Federal Register, page 5424, Friday, July 3, 1959, my comments, suggestions, and recommendations relative to the foregoing matter (drinking and serving of alcoholic beverages aboard air carrier aircraft) are set forth below:

It is obvious to all that the common carriage of passengers by air entails certain risks and dangers peculiar to that form of travel. It is therefore incumbent upon everyone and especially your agency, which is concerned with safeguarding the lives and safety of passengers, crews and others, to discover, eliminate and prevent wherever and whenever possible all hazards to safe air travel.

The foregoing duty is required not only as to known hazards but also for the elimination of potential dangers, dangers which are obvious and apparent to people of ordinary and reasonable prudence. Any failure to eliminate such potential dangers is not only inexcusable but also culpable should injury or loss of life or damage to property result therefrom.

An intoxicated person is irresponsible and his behavior is unpredictable. Space on board an airplane is limited and confining and there is no room to avoid him, no policeman to restrain him and opportunities for imperiling the lives and safety of all aboard and on the ground are varied and many.

The mischief he can do and the tragedy that can ensue is irremediable and inexcusable.

The hazards and dangers to which all are exposed by the presence of an intoxicated person on board an airplane is clear and obvious and incidents have been testified to and your Agency is cognizant thereof.

A drunk on board an airplane is a clear and present danger to the lives and safety of everyone, everywhere, whether the inebriety is brought on by liquor carried onto the plane and there consumed or by liquor purchased on the airplane from the carrier by one who does not "appear to be intoxicated."

I feel that in recognizing the dangers that flow from intoxication aboard an airplane your Agency should adopt regulations that eliminate them by eliminating all possibility of intoxication on board the airplane.

The effect of the proposed regulation is not to eliminate the risk but simply to place

the responsibility, in the event tragedy flows from it, onto the shoulders of anyone other than this Agency.

As long as you can regulate you can eliminate. There is no actual need for intoxicating beverages during flight nor is there a demand for such. All airlines would gladly discontinue serving such beverages provided the discontinuance would be complete for all airlines.

The Air Lines Pilots Association and the Stewards and Stewardesses Association have brought this subject up at their national conventions. Each has called for regulations forbidding the serving of alcoholic beverages on planes because it is a potential nuisance to passengers and crews alike and a threat to the safety of all.

In the opinion of those who serve and in the opinion of those being served there is no place for liquor in airplanes during flight.

The language of the proposed regulation could easily imply that: only airlines can serve nonintoxicating alcoholic beverages, the airlines derive a sizable revenue from the sale of intoxicants, and you encourage the consumption of intoxicants sold by airlines.

The proposed regulation places an unfair and unjust burden on the airline personnel by requiring them to determine if a person requesting service "is or appears to be intoxicated."

I fail to see how the proposed regulation eliminates the possibility of tragedy that can arise from a drunken act by one made drunk from being served intoxicants by the airline although he did not appear to be intoxicated when served.

To avoid an anomalous situation created by this Agency I recommend that the regulation be amended to read as follows:

"No person shall drink any alcoholic beverage aboard an air carrier aircraft while in flight within the United States."

The actual amount of time in flight is so short that the total prohibition of the use of intoxicants during flight will create no hardship on anyone, even the habitual user.

Sincerely yours,

FEDERAL AVIATION AGENCY,  
Washington, D.C., August 31, 1959.

HON. THOMAS J. LANE,  
House of Representatives,  
Washington, D.C.

DEAR MR. LANE: This is in reply to your letter of July 22, 1959, concerning proposed amendments to sections 40.371, 41.135, and 42.65 of the Civil Air Regulations.

I enclose for your information a copy of a statement presented by the Federal Aviation Agency to the Subcommittee on Aviation and Transportation of the House Interstate and Foreign Commerce Committee on July 28, 1959. It was directed to several bills now pending in the Congress. These bills are designed to prohibit the sale or furnishing of alcoholic beverages on aircraft while in flight between points in the United States. The statement contains the reasons which led to the proposed amendments to the Civil Air Regulations referred to above.

Under the Federal Aviation Act of 1958, this Agency is charged with fostering development and safety in civil aviation. Section 601 of the act vests broad general responsibility for, and control over, safety in flight in civil aviation in the Administrator of the Federal Aviation Agency. Therefore, this Agency's approach to the practice of serving alcoholic beverages aboard air carrier aircraft has been directed to the question of whether there was any safety problem involved. To date, no factual information has been discovered which demonstrates that the practice of serving alcoholic beverages while in flight directly affects safety in the operation of air carrier aircraft.

As indicated in the statement, some incidents have been discovered which could have had an adverse effect upon safety. These were caused by passengers who drank from their own bottle during the course of a flight, or by those who had consumed a considerable quantity of alcohol prior to boarding a flight. The proposed amendments to the Civil Air Regulations are designed to provide the necessary control in these needed areas with a minimal interference to personal freedom. This Agency feels that issuance of amendments to the Civil Air Regulations referred to above will constitute an effective deterrent, and discharge our responsibility with respect to safety.

If future experience demonstrates that safety considerations require further regulation, this Agency can and will issue such regulations.

Thank you for your interest in this important matter.

Sincerely,

JAMES T. PYLE,  
Deputy.  
For E. R. QUESADA,  
Administrator.

STATEMENT OF THE HONORABLE JAMES T. PYLE, DEPUTY ADMINISTRATOR OF THE FEDERAL AVIATION AGENCY, PRESENTED TUESDAY, JULY 28, 1959, BEFORE THE SUBCOMMITTEE ON AVIATION AND TRANSPORTATION OF THE HOUSE INTERSTATE AND FOREIGN COMMERCE COMMITTEE, WITH RESPECT TO H.R. 169, 3716, 7135, 7643, 1075, 6824, 7270, AND 8076

Mr. Chairman and members of the committee, my name is James T. Pyle, Deputy Administrator of the Federal Aviation Agency. The Federal Aviation Agency is happy to have the opportunity to appear before this subcommittee for the purpose of commenting with respect to all of these bills which deal with prohibiting the sale or furnishing of alcoholic beverages by air carriers to passengers on aircraft while in flight between points in the United States.

Each of these bills would amend section 610 of the Federal Aviation Act of 1958 by adding a new subsection which would prohibit the practice of selling or furnishing alcoholic beverages to airline passengers and crews while in flight within the United States. There is some variation in the language in the different bills, but the effect and intent of all of them is the same.

The Federal Aviation Agency believes that the question of controlling the serving of alcoholic beverages aboard air carrier aircraft is an important one. It has been given careful consideration and study by this Agency. Our approach was not directed to drinking as a social problem, but rather to determine whether there was a safety problem, since this is the concern of our Agency.

The Civil Aeronautics Administration, one of our predecessor agencies, conducted a survey to determine whether the practice of serving alcoholic beverages while in flight might in any way have an adverse effect upon safety. The results of this survey did not reveal any factual information or specific incidents which were found directly to affect safety in the operation of air carrier aircraft. However, some instances were discovered, with respect to passengers, which were of a type that could have an adverse effect upon safety. A study of such instances indicated that almost uniformly they were caused by passengers who had either consumed a considerable quantity of alcoholic beverages prior to boarding a flight, or by those who drank from their own bottles during the course of a flight. No such problem was found with respect to crews or flight attendants.

As a result of our study, it does not appear necessary to prohibit the consumption of alcoholic beverages by passengers aboard air carrier aircraft in order to meet the safety requirements. This Agency feels that safety

needs can be satisfactorily met by permitting consumption of such beverages by those who wish to have them, but providing sufficient control so that no hazard will be created. By so doing, we will interfere as little as possible with the personal freedom of passengers and at the same time prevent abuses that would possibly create a hazardous situation.

Under these circumstances this Agency felt that some regulatory control may be required for safety purposes. This can be done under present law. Section 601 of the Federal Aviation Act of 1958 vests broad general responsibility for, and control over, safety in flight in civil aviation in the Administrator of the Federal Aviation Agency. Under this broad responsibility, safety regulations are promulgated. This Agency recognizes that as larger and faster aircraft come into service with an increase in the number of passengers carried, drinking among passengers might conceivably result in situations where flight attendants and crews would be distracted from their duties. This could create a safety problem.

Accordingly, the Administrator of the Federal Aviation Agency has issued a Notice of Proposed Rulemaking which will result in the promulgation of a safety regulation unless good cause is shown to the contrary. This regulation would prohibit the consumption of alcoholic beverages aboard air carrier aircraft, unless such liquor is served by the air carrier, and would further provide that no air carrier shall serve alcoholic beverages aboard an aircraft to a person who is in a state of intoxication, or appears to be intoxicated. Violations of this regulation by either passengers or an air carrier could result in the infliction of a civil penalty under section 901(a) of the Federal Aviation Act of 1958 which could mean a fine not exceeding \$1,000.

The above regulation would constitute an effective deterrent. If in the future it can be demonstrated that safety considerations require further regulation of the use of alcoholic beverages by passengers during the course of a flight, then this Agency can and will issue such regulations.

It thus appears that the purpose for which all of these bills have been drafted can be accomplished by regulation under existing law. Therefore, the Federal Aviation Agency can see no need for the enactment of any of these bills.

The Bureau of the Budget has advised that it interposes no objection to the submission of this statement to your subcommittee.

### Under Self-Help Provision of Wool Act Woolgrowers Are Helping Solve Their Own Problems

#### EXTENSION OF REMARKS

OF

HON. O. C. FISHER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 1, 1959

Mr. FISHER. Mr. Speaker, during the month of September the woolgrowers of America are voting in a national referendum on the question of allowing deductions of 1 cent per pound from incentive payments in order to finance continued promotion, advertisement, and merchandizing of wool and lamb.

Under the Wool Act certain incentive payments are made annually to growers to encourage more sheep production in this country. These payments are derived solely from import duties from wool

that is brought in from foreign countries to compete on our own domestic markets. And the 1 cent deducted for promotion is taken from the money provided by the import fees. The incentive level for wool is established each year by the Secretary of Agriculture at a figure calculated to allow for the deduction and at the same time provide encouragement and incentive for our American growers, in the national interest, to increase the sheep population of this country.

This promotion program is handled by the American Sheep Producers Council, headed by Mr. Don Clyde, of Utah, an able grower who is dedicated to the best interest of our woolgrowers. And even though during the 4 years the program has been in effect—there has hardly been enough time to observe its capabilities—definite improvement has been noted.

Despite the great drought and the world depression in the textile field, our sheep population has increased by 1,227,000, according to the Department of Agriculture. During the first third of 1959 there has been a 40-percent increase in wool consumption over the same period during the preceding year; and prices have jumped more than 27 percent in the first half of 1959.

#### NEED FOR PROMOTION EVIDENT FROM INCREASE IN TEXTILES BY SYNTHETICS

The necessity for an effective promotion program is self-evident when we look at the competition record in recent years with the manmade fibers. The Department of Agriculture informs me that in 1921 apparel wool accounted for 10 percent of all fabrics consumed in this country, in 1937 it was 6.3 percent, and in 1958 it had dropped to only 3.7 percent. This despite some improvement already noted as a result of promotion and advertisement by the American Sheep Producers Council.

During that same period the synthetics or manmade fibers accounted for 0.6 percent in 1921 of all fabrics consumed in this country; in 1937 it was 6.9 percent, and in 1958 it had reached 28.6 percent.

It is significant, too, that in 1 year the manufacturers of synthetics spend nearly \$25 million in promoting and advertising their manmade fibers. This is more than woolgrowers have spent in this country during the life of their industry.

#### WOOL ACT RENEWAL LAST YEAR INCLUDED SELF- HELP PROVISION

Mr. Speaker, it will be recalled that after a 4-year trial run, the Wool Act was last year extended by the Congress for an additional 3 years. The act included section 708, which authorizes the deductions for promotion.

Many will recall that one of the selling points in obtaining an extension of the law was section 708. It was pointed out then that here was a provision which enables the growers, by their own voluntary agreement if they should by a two-thirds vote choose to do so, to help themselves to regain their rightful place in our national economy.

Some 94 organizations directly connected with the sheep owners and all general farm organizations, with but

one possible exception, gave unqualified support for the renewal of the Wool Act with section 708, the self-help provision, included.

Only the American Farm Bureau entertained any misgivings about the need for section 708. The Congress, being anxious to have the growers do more for themselves toward the solution of their own problems, gave little heed to objections raised against section 708, and these objections were promptly discounted and overruled.

Thus, it was quite evident that the Congress felt that if the Government was to continue to help support the woolgrowers, the growers would be expected to continue to help support themselves through the continued use of section 708.

#### NEUTRAL POSITION PROMISED BY FARM BUREAU LAST YEAR ON ISSUE POSED BY REFERENDUM

Last year when the Wool Act was before the Congress for renewal the Farm Bureau representative who was testifying before the House Committee on Agriculture on the question of extension, Mr. Frank Wooley, the Farm Bureau spokesman, testified:

Well, we take the position in the American Farm Bureau Federation, Mr. Hill, that it is our responsibility to present as many facts as we can through all of our various media to the farmers as to what the pros and cons are with respect to any referendum that is put to them for a vote. We do not take the point of view that it is our responsibility, we think it is improper on our part, to tell them how they are to vote. We just merely do everything we can to see that they understand that a vote is being taken, and that it is in the interest of everyone to know the issues on both sides, and we do everything we can to urge that they vote with respect to the subject.

Unfortunately, however, in some recent releases on the issue being decided by the referendum, the Farm Bureau has publicized some information that has not told the entire story. Indeed some of the published figures I have seen have been very misleading in regard to the success of the promotion program under section 708. Perhaps this has been an inadvertence, but nevertheless it is not in keeping with the policy position outlined by Mr. Wooley in his testimony.

Let me give one or two examples of what I mean. As one example, the Farm Bureau has in effect pulled two figures out of the air to show that from 1954 to 1958 the U.S. farm price of wool dropped 31.6 percent, but failed to state further that wool prices in 1958 dropped to an extremely low point because of prices of wool all over the world were extremely depressed due, as I previously pointed out, to a worldwide textile recession. Except for the promotion program, the prices might very well have dropped even more.

Moreover, in order to get the full picture before our growers the Farm Bureau should have gone further and explained that in the last 6 months the farm price of wool has increased 27.4 percent and that in the first third of this year, wool consumption increased 39.5 percent over the same period of 1958. Without a recital of these facts, the in-



formation put out by the Farm Bureau was obviously very deceptive and misleading to our wool growers.

Surely, Mr. Speaker, the American Farm Bureau, the great farm organization that it is, does not want to see man-made fibers, with their huge advertising budgets, make even further inroads into the fiber field enjoyed by wool, cotton, and other superior natural fibers.

We have our backs to the wall in this fiber battle, and we need to marshal all the support obtainable from all organizations interested in our sheep industry.

### Berkeley County, W. Va., War Memorial Park Dedicated; Popular Recreational Area Is Debt Free

#### EXTENSION OF REMARKS OF

#### HON. JENNINGS RANDOLPH

OF WEST VIRGINIA

IN THE SENATE OF THE UNITED STATES

Tuesday, September 1, 1959

Mr. RANDOLPH. Mr. President, it was my privilege to have participated in the dedication for the Berkeley County War Memorial Park near Martinsburg, W. Va., Saturday, August 29, 1959.

The program for this significant event contained a history of the park, including these cogent sentences:

The Berkeley County War Memorial Park stands today as both a memorial to our community's honored war dead and as a tribute to the cooperation of thousands of our citizens who have made the park possible. \* \* \* The memorialization has been chiefly in the planting of maple trees and installation of individual markers, one to each of the war dead. The park, a suitable recreational area that also is a living memorial to the nearly 200 youths who gave their lives in World Wars I and II, contains about 20 acres of land and was purchased for \$15,000. More than \$100,000 in cash has been contributed toward development of the park during the past 13 years, plus thousands of dollars' worth of volunteer labor and free material. \* \* \* All money for the park development has been obtained through voluntary contributions without a cent coming from any governmental agency. \* \* \* Dedication has been long delayed but it comes at a time when the park is reaching new peaks of popularity and when it stands debt free.

Appropriately, the present officers and the original members of the board of the Berkeley County War Memorial Association, Inc., and others who contributed much to the successful development of the park and to its dedication program, were recognized in the historical review, including Paul B. Martin, president of the park board and the mayor of Martinsburg when the original park committee was appointed on August 17, 1946; Garland L. Dunn, chairman of the board; Ernest H. McKee, vice president; Donald G. Rentch, secretary; Thom R. Keller, treasurer; Douglas Shipley and Mrs. Harry L. Reeves, members of the original mayor's committee and the original board; Russell J. Scrivener, Lovell Alderton, Rev. Fred-

erick F. Bush, Jr., and Charles V. Sullivan of the original mayor's committee; Lacy I. Rice, Judge D. H. Rodgers, Frank C. Thomas, Philip T. Seibert, Lou Cohen, Rev. Father George Huber, Mrs. Paul Hammann, M. L. Depenbrock, Mrs. Jacob Schleuss, Harry C. Hammann, Mrs. C. A. Kitchell, and John Skelly of the original board.

Preceding the dedication program there were band concerts by Musselman and Martinsburg High School Bands, and the Martinsburg Municipal Band.

In response to the association's invitation, I delivered the dedicatory address.

Mr. President, I ask unanimous consent that extracts from my speech be printed in the CONGRESSIONAL RECORD.

There being no objection, the extracts were ordered to be printed in the RECORD, as follows:

AN ADDRESS BY SENATOR JENNINGS RANDOLPH, DEMOCRAT, OF WEST VIRGINIA, AT THE DEDICATION OF THE BERKELEY COUNTY WAR MEMORIAL PARK, MARTINSBURG, W. VA., AUGUST 29, 1959

I am strengthened as I look about me and see the fruits of 13 years of community endeavor in your memorial park. We are gathered to dedicate this effort to the memory of your loved ones who gave their lives in freedom's cause. Their names and the remembrance of their deeds will be perpetuated in the life of this area. They died that our Nation's future might be more secure. It is fitting, therefore, that this memorial to your sons and brothers also looks to the future. Though monuments in stone and bronze may have their place, you could offer no finer tribute to the vallant dead than this shrine which so enriches the lives of those they left behind.

In setting aside these 20 acres—in thus dedicating this ground, you have consecrated it to the living as well as the dead. In this way we help to keep alive and fresh the values and ideals of those who fought and died. This is our charge and our responsibility.

Yet, our obligation to those young men does not end with the dedication of this ground today. The Berkeley County Memorial Park is but a beginning of the fulfillment of our trust. Our responsibilities will be discharged only when we have also consecrated our lives to tasks worthy of the human sacrifices that have already been made.

#### MEANING OF SACRIFICE

Our words can but revive the memories of our departed loved ones; but it is our actions and our lives which will continue to keep alive the meaning of their sacrifice. The courageous young men to whom we give our homage offered their blood and their lives in the cause of humanity—in the right of the individual to achieve for himself a way of freedom and dignity. This is the idea which in the past has given the thrust to American life. More than any other idea, it continues to give meaning and vitality to our present life, and it has been the ultimate goal toward which man's constant progress through the centuries has been directed. Thus, the journey toward the American dream has been man's journey toward the full humanity of man. Yet the struggle has not ended.

It has been a dispiriting and tragic disillusionment for Americans, and for citizens of other free nations as well, to see in the years since the end of World War II, the extinguishment of the ideals of freedom and individual dignity among the millions of people under the domination of the Soviet Union and Communist China. In the face of

such terrifying repression and assaults upon the integrity of man, we might, in moments of weakness, wonder if it has been worth the cost in blood and treasure.

For those who gave their lives in the cause of human freedom, we find assurance in the words of the Gospel (John IV, 14) that " \* \* \* whosoever drinketh of the water that I shall give him, shall be in him a well of water springing up into everlasting life." While this offers consolation to those who have lost friends and members of our families, it does not relieve us of the responsibility of carrying on their struggle and thus, in some measure, giving meaning to their sacrifice. Only in this way can we truly memorialize those who gave the full measure of devotion to their country.

When the great American poet, Walt Whitman, was confronted by the tragic death of President Lincoln he sought in some manner—as did the people of the Nation as a whole—to find a meaning in such an irrational and devastating event. Whitman solved his problem in the beautiful and moving poem, "When Lilacs Last in the Dooryard Bloomed." Here he indicated that, since Lincoln had given his life for the Union, the only meaningful manner in which one could acknowledge his death was to contribute to the growth of the Union and the ideals for which the President had worked and died. These the poet symbolized in the sprig of green lilacs which he brought to the deceased President as a token of his commitment to the future and to the promise of growth and creativity that the future holds.

#### LIVING COMMUNITY TRIBUTE

This useful memorial park is your sprig of lilac. In the creation of this center you have also created a richer and better community. For families and for single folk, for young and for old, this park offers opportunities for a healthier and more wholesome life. And for the individual who may simply want to leave the indoors for a few minutes' contemplation of the wonder of sky and clouds, of the miracle of youth and the sound of laughter, it offers balm to the heart and a lift to the spirit. And for other fortunate ones it may offer what Nature offered to the poet, William Cullen Bryant, when he wrote:

"To him who in the love of Nature holds Communion with her visible forms, she speaks

A various language; for his gayer hours She has a voice of gladness, and a smile And eloquence of beauty, and she glides Into his darker musings, with a mild And healing sympathy, that steals away Their sharpness, ere he is aware."

This park thus exists as a living community tribute to the sacrifices of the sons of Berkeley County. Yet we may not rest with this. Each of us, individually, has the responsibility to consecrate his life to the fulfillment of the American dream if those sacrifices are not to have been in vain.

And what is this dream? It is what brought generations of men and women from Europe across 3,000 miles of ocean to settle on unknown shores. It is what brought later generations of men and women to cross our own Alleghenies into the great valley of the Midwest, and from there up across the high plains to the Sierras and finally to the Pacific Ocean itself. It is the dream embodied in our own State motto: "Mountaineers Always Free."

Men and women did not leave Europe because of what they feared and hated; they came to America because of what they loved and hoped. Later, when they left the eastern seaboard and started the long trek westward, they departed, not because they despised the East, but because they were drawn to the West by challenge and by belief—by the belief that they could create

a future of greater worth and human dignity. This belief in the possibilities of man has shaped the destiny of America.

It is true that there were intolerances and repressions. But the love and the faith outlived them. The belief in freedom of conscience outlived the theocracy of colonial Massachusetts. And the assurance in the dignity of the individual blotted out the misunderstanding of 200 years.

#### LOVE AND HOPE—NOT FEAR

Until recently we Americans have lived in the light of what we have loved and hoped, not what we have feared. For 300 years we followed the American dream of the future. And that dream became real. It became real in the land that Tom Jefferson and Sam Adams found—in the land that Emerson and Whitman explored—in the land of the free human spirit with eyes aimed at the future. For 300 years this was the dream that we lived and loved.

But in recent years we have become guided less by our loves and hopes than by our fears. Less by our love of America than by our fear of Russia. Less by the hope and possibilities of the future, than by the fear and dangers of the future.

It is a sick man who lives, not by his loves, but by his fears. Thus so, it is true of a nation.

At the height of our power, the most common talk is about our fears—our fear of the Soviet Union, our fear of inflation, our fear of an unbalanced budget, our fear of the power of organized labor.

Where is the talk, and where is the faith in the vision and the fulfillment of the dream? I said a moment ago that the dream had become real. While that is true, it does not mean that the task is completed. Men are not truly free when they and their families live in squalor and poverty. Children are not educated for freedom when our schools are inadequate. Future generations will not be free if we squander the natural resources on which freedom is maintained. In brief, the challenge of the future and the hope of the future are still before us. "The American journey," as the poet, Archibald MacLeish stated, "has not ended. America is never accomplished, America is always still to build; for men, as long as they are truly men, will dream of man's fulfillment."

This, then, is the memorial we must dedicate as individuals: to rekindle the faith in the American future, and to live with a renewed vision of the possibilities of man. We Americans have reason thus to live; whether we have the will depends upon the individual heart.

been done, and the overall picture as it hangs in the national frame.

In sizing up the national picture, we should recall first that the Nation and the world are at peace. True—there are troubled spots—always have been and always will be—but international tension is lower today than at any time since I came to Washington over 8 years ago when a Korean war was in full bloom.

Historians marked the date last week as 20 years since Hitler had moved his armies into World War II. It was 21 years before, then that the Kaiser moved his troops into World War I. Each war resulted primarily because the Allies had compromised their positions rather than taking a firm stand and backing up that position with strength.

Today at the end of the present 20-year period, the leader of the potential enemy has asked to come to our shores, not with armies, but with his wife and family, to visit a nation and to visit a President who, upon taking over the reigns of state, served an ultimatum from a position of strength and has refused to compromise one word of that ultimatum, one acre of that ground, or one citizen of that area.

A recent visit with that President convinces me this position will in no way be altered and none of the fundamental principles that have kept the peace will be compromised when the two men sit down across the table from each other to visit. President Eisenhower does not bluster and blow as the bulky dictator of the Soviet Union, but neither does he cringe from pressure or politics. Should anyone doubt that, they should read his record of holding the brakes on a spending-pledged, two-thirds Democrat majority in the 86th Congress.

No—the Khrushchev visit can do no harm—it could do good. He will return to his Communist empire with a firsthand knowledge of the strength of this country—not just the military strength, but the economic and social and spiritual strength of a great, free, Christian Nation.

When I first came to Washington, I heard the then General Eisenhower make the statement that the military is only the cutting edge of the sword, that the strength of the blade back of that cutting edge is the economy of the country. A month ago I had breakfast with the now President Eisenhower and heard him relate the remarks of Ludwig Erhardt of Germany, who told the President the greatest fear of their people was not recessions, but inflation; that they had experienced inflation at its worst; that the worst kind of hard times comes when the housewife must take a market basket full of money to the grocery store to buy a purse full of groceries.

It is my privilege, as your representative, to cast your vote for you, and I have cast that vote not only to strengthen the President's hand in forcing a balanced budget, but to go even further than the President has gone in a determined effort to return fiscal responsibility to the Nation, thereby strengthening the blade back of that cutting edge and preventing the day when a basket full of money is required for a purse full of groceries.

I believe that fiscal responsibility is measured not only by a balanced budget, but likewise in seeing that the taxpayers get their money's worth for the tax dollar that is expended. I have opposed programs that will unbalance the budget, and I have opposed programs where I feel the taxpayer will not get his money's worth.

I hope you will read the enclosed remarks which I made on the House floor during debate on several issues. There I have pointed out some of my fears based upon the trends of the times. Space in this report prohibits more than just a summary, but in this summary I would remind you again that it is Congress which makes the

laws, it is Congress which appropriates the money. When those laws are made, when those appropriations are passed, the President and the executive branch have no alternative but to execute the laws which Congress has enacted.

Representative CLARENCE CANNON, Democrat, chairman of the Appropriations Committee, recently pointed out that in each year since 1939 the value of the dollar has decreased with the exceptions of 1949 and 1955. I would point out that these two years followed the only two balanced budgets since 1939—the work of the two Republican Congresses, the 80th and the 83d. This is proof that it can be done, that the devaluation of the dollar can be stopped if Congress has the will to live within the national income.

It was to help strengthen the hand of the President and force a spending-bent Congress to live within the national income that I voted to sustain the President's vetoes in an effort to not only bring those particular bills more in line with national needs, but at the same time quell the overall thirst for drinking at the tempting spring of inflation.

It was to cut spending below the national income that I voted against such frills as a new congressional office building; public parking lots; Federal assistance to communities sponsoring sporting events; the unnecessary grant-in-aid programs for constructing business establishments at airport terminals; public housing; city slum clearance; area redevelopment; construction of city sewage systems; and a dozen other similar programs which could and should be financed by private enterprise or local governmental units.

It was to reduce similar programs abroad that I voted against the \$3.1 billion foreign aid bill. I also opposed permitting the International Bank and Monetary Fund, as well as the Federal Aviation Agency and the Development Loan Administration, from drawing directly on the Federal Treasury to fund department expenditures rather than obtaining appropriations from Congress—a procedure known as back door spending that has cost the taxpayers almost \$8 billion annually.

Our chickens are coming home to roost from another field. After going off the gold standard, a certain confidence was maintained in the dollar through the knowledge that large gold supplies were buried at Fort Knox. Because of inflation at home and the effect of the reciprocal trade policies, our gold supplies are slipping away. As of July 1, our gold stock stood at \$20.5 billion. Of that amount, foreign governments and nationals owned \$14.9 billion, leaving a domestic gold reserve of \$5.6 billion. This is due largely to the fact that we have, for the first time in modern years, lost the balance of trade. We are buying more foreign goods and selling less abroad. I have urged a return to the gold standard to right this wrong.

The 86th Congress made history in adopting the Landrum-Griffin labor reform bill. Its passage was not a personal victory for the President, the Republicans, nor the conservative Democrats. It was simply an example of the people asserting their rights when sufficiently aroused.

The powerful and well-financed labor bosses could not have been overcome without the people demanding (1) that legislation be passed which would drive racketeering and corruption from the ranks of organized labor, and (2) that the rights of the individual union member be protected.

The new law does these things. It contains the McClellan "Bill of Rights" with criminal enforcement, then it adds protection to the public as well through the curbing of secondary boycotts, organizational and recognition picketing, and in settling the "no man's land" between State and Federal jurisdiction.

## Report to the People of the Second Congressional District of South Dakota

### EXTENSION OF REMARKS

OF

**HON. E. Y. BERRY**

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, September 1, 1959*

Mr. BERRY. Mr. Speaker, under leave to extend my remarks, I wish to insert in the CONGRESSIONAL RECORD my final report for the 1st session of the 86th Congress to the people of the Second Congressional District, South Dakota.

It is as follows:

Each year as the session draws to a close, I have attempted to supplement my regular monthly reports to you with a final report in which I endeavor to summarize what has been done by Congress, what should have



The 86th Congress designed "five rows of six and four rows of five" stars in Old Glory with the addition of Hawaii as the 50th State. It continued the interstate highway program through a 22-month increase in the gasoline tax; increased the interest rate on savings bonds; plugged loopholes in the law on obscene mail; exempted out-of-State companies from State taxation in certain cases; corrected "equal time," confusing regulations for radio and TV stations; etc.

### Philip Henry Handmaker

#### EXTENSION OF REMARKS

OF

### HON. JAMES E. VAN ZANDT

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 1, 1959

Mr. VAN ZANDT. Mr. Speaker—

We know when moons shall wane  
When summer birds from far shall cross  
the sea  
When autumn's hue shall tinge the golden  
grain  
But "Death, Oh" who shall teach us when  
to look for thee?  
Leaves have their time to fall  
And flowers to wither at the north wind's  
breath  
And stars to set—but all  
Thou hast all seasons for thine own,  
O Death!

Holy Scripture tells us when Abner, son of Ner, was killed and the word was brought back to King David, he said:

And the King said unto his servants,  
Know ye not that there is a prince and a  
great man fallen this day in Israel?

In a similar vein of thought, residents of Altoona, Pa., and those associated with the late Philip H. Handmaker in his farflung business enterprises realized through shock and sorrow that his sudden death on August 9, 1959, was indeed an irreparable loss.

Phil, as he was known to his legion of friends and business acquaintances, was born August 7, 1903, in Russia. At an early age he came with his parents to America where the family settled in Pittsburgh, Pa. He began his business career in Altoona, Pa., in 1925 and despite a humble beginning in true Horatio Alger fashion he reaped phenomenal success in the business world, thus becoming a symbol of the benefits to be derived from the American system of free enterprise.

At the conclusion of this tribute to my departed friend, I wish to include as part of my remarks the obituary of the late Philip Henry Handmaker which appeared in the August 10, 1959, issue of the Altoona Mirror, together with tributes of love and respect from his associates, and by Rabbi J. H. Henderson, which appeared in later issues of the Altoona Mirror. The authors enjoyed the rewarding privilege of association and friendship with Phil Handmaker, and their expressions reflect their love and admiration for his many fine qualities.

Phil Handmaker by his short, yet fruitful life fully deserved the glowing tributes accorded him for he left a proud heritage to his family and his friends—

CV—1114

the only heritage that is really worthwhile—an honored name. Truly, as one of the prophets of old said:

He lived humbly, did justly, and walked reverently with God.

As a member of Agudath Achim Synagogue and Temple Beth Israel in Altoona, Pa., his deep faith in God was manifested by his devout manner in caring for his own spiritual welfare aided by his firm adherence to the tenets of his ancient faith.

By his exemplary life which portrayed his deep-rooted convictions that it is mandatory to accept the brotherhood of man and the fatherhood of God as eternal truths, he brought honor to his age and his people.

Divine providence blessed him with God-fearing parents who bent upon giving their children every possible advantage toiled and sacrificed like countless other immigrant families who have come to America's shores seeking liberty, freedom, and equal opportunity for all God's children.

Fortified by their divine faith which was supplemented by toil, sacrifice, and perseverance, their love and solicitude for their children made an indelible impression on their son, Phil, and provided him with added inspiration to serve as an additional incentive in his successful effort in scaling the heights of the business world. It is of such loving and self-sacrificing parents that the poet has said:

Those distant seas I have not crossed  
Bright jewels I never wore  
The prizes now forever lost  
And comforts languished for—  
The rich rewards for which men sigh  
That I have never won  
The years, the hopes, the dreams go by  
Are found in you, my son.

One of the many fine qualities that Phil Handmaker possessed was the confidence he instilled in those fortunate to have crossed his path in life. He had the happy faculty of being able through his kindness to others to encourage his friends and associates to feel free to discuss their problems with him. This admirable trait of character is expressed by the poet when he said:

Oh, the comfort, the inexpressible comfort,  
of feeling safe with a person,  
Having neither to weigh thoughts nor words  
But pouring them all out, chaff and grain  
together  
Confident that a faithful hand will take  
them  
And sift them, keep what is worth keeping,  
And with the breath of love and kindness  
blow the rest away.

Those of us in central Pennsylvania, who knew Phil Handmaker intimately, recognized and appreciated his great civic consciousness and the insatiable desire he had for advancing the best interests of the city of Altoona and Blair County. That area of Pennsylvania owed him an undying debt of gratitude for his great contribution toward its progress and welfare.

It is common knowledge and a striking illustration of his depth of character that even though Phil was privileged to walk and sit with the mighty, he enjoyed the reputation of never losing the common touch despite his spectacular

success in the realm of business. Shunning ostentation and declining to bask in the glare and glamour of publicity, his innumerable acts of charity unheralded and unsung and dispensed without regard to race, color or creed, brought rays of sunshine into the bleak and barren lives of the poor, the underprivileged and the downtrodden.

Such golden nuggets of kindly deeds are treasured and will live forever in the hearts of the lowly and needy of society whose lives he touched. They are an imperishable monument to the memory of such a great American who by his altruistic deeds gives credence to the thoughts expressed in two lines of a poem by the celebrated English poet, William Wordsworth:

The best portions of a man's life—  
His little nameless acts of kindness and love.

It can be truly said that Phil's death at the zenith of his career was a tragic loss to his loved ones and to the community, State, and Nation. His noble character may be summed up in the words of Lord Byron:

He had kept the whiteness of his soul, and  
thus men over him wept.

From a personal standpoint, the death of Phil Handmaker has meant the loss of a cherished friend of many years. His passing recalls to mind the words of the poet—

A friend has passed across the bay,  
So wide and vast and put away,  
The mortal form that held his breath;  
But through the storm that men call death  
Erect and straight, unstained by years  
At heaven's gate a man appears.

Sharing the sorrow voiced by countless friends and acquaintances, I joined them in tendering sincere expressions of deepest sympathy to his devoted wife, Mollie, their four daughters, and other members of the immediate family.

In conclusion, Phil Handmaker's life was a virtual mirror in which were reflected the many fine qualities of his richly gifted soul. These outstanding personal characteristics enshrine him in the minds and hearts of those privileged to have crossed paths with him in the daily stream of life. His manner of daily living portrayed his adherence to the deathless tradition of the ancient faith of a people who were "keepers of the word" and "the bearers of the commandments."

Thus, it is fitting to say that in the best traditions of the Judaic-Christian precept of living by the word of God, the late Phil Handmaker by his short, yet fruitful life fulfilled the beautiful prayer of St. Francis of Assisi:

Lord, make me an instrument of Thy peace;  
Where there is hatred, let me sow love;  
Where there is injury, pardon;  
Where there is doubt, faith;  
Where there is despair, hope;  
Where there is darkness, light;  
Where there is sadness, joy.

[From the Altoona (Pa.) Mirror, Aug. 10, 1959]

CITY AUTO PARTS SUPPLY COMPANY PRESIDENT  
DIES

Philip H. Handmaker, 57, of 3004 Second Avenue, president of the Automotive Supply Co., and chairman of the Altoona Bus

Authority, died in the Altoona Hospital at 9:45 a.m. yesterday after a heart attack.

Mr. Handmaker, whose Automotive Supply firm had many branches throughout Pennsylvania, had large holdings throughout the United States, including a traction firm in Minneapolis, Minn.

Relatives reported he awakened Saturday morning complaining of indigestion. He was admitted to the hospital during the morning.

Born August 7, 1903, in Russia, he was the son of Harry and Sophie (Romick) Handmaker. His career began in Altoona as manager of the Firestone Service Store at 12th Avenue and 15th Street.

He left Firestone to form the Automotive Supply Co. The firm moved in 1937 to its present building at 1917 Margaret Avenue.

Surviving are his wife, Mollie and following daughters: Mrs. Harriet Bregman of Altoona, Mrs. Reitz Kaplan of Pittsburgh, Mrs. Audrey Goldstein of Johnstown and Mrs. Barbara Kaminsky of Ann Arbor, Mich., and nine grandchildren.

Also surviving are two brothers and four sisters: Isaac H. of Tucson, Ariz.; Meyer of Pittsburgh, Mrs. Jean Sparks of Altoona, Mrs. Mary Supowitz of Tucson, Mrs. Sana Auxwerwitz of Harrisburg and Mrs. Josephine Feldman of Pittsburgh.

Mr. Handmaker was a member of Agudath Achim Synagogue and Temple Beth Israel, the Elks and the Altoona Kiwanis Club.

Interment was made in Pittsburgh today.

[From the Altoona (Pa.) Mirror, Aug. 24, 1959]

#### MAN OF WIDE INTERESTS

EDITOR OF THE ALTOONA MIRROR:

Few men attain the success in the business world as that achieved by Philip Henry Handmaker whose sudden death on August 9, 1959, came as a distinct blow to his countless friends and business associates.

As a small boy, Phil came to this country with his parents from his native Russia, the family locating in Pittsburgh. With meager book learning, he became a giant of business, a true example of a self-made man.

Mr. Handmaker's business career in Altoona began in 1925 at Beale Avenue and 24th Street. At that time, there were three employees—himself and two others. Today, his vast network of holdings in his Automotive Supply Co. and its divisions employs more than 350 persons.

Those who were close to this successful business leader realize that he shunned publicity for himself. Nevertheless, we feel that any individual who made such wonderful strides in his own endeavors and who had done so much good (with no fanfare), merits a written tribute at his passing.

Just as Phil Handmaker never hesitated to make a decision while he lived, it seemed that he died that way.

We would recount his many fine traits of character:

Devoted to family, extremely proud of grandchildren.

Keen insight, always knew what to do and the right time to do it.

Never forgot humble beginning, always anxious to help the less fortunate or anyone who needed a boost.

Strict attention to business—not one for a lot of frivolity.

Office door always open—constantly being approached by those who needed advice or those who wanted his opinion on business and other matters.

In spite of his growth, he never changed. Those who knew him in 1925 (the oldtimers) marveled that he was the same Phil Handmaker they knew way back when.

Accepted appointment to the bus authority even though he was in an entirely unassociated business. He realized that transportation was a must for the community—

nothing selfish in his accepting the appointment as his business was not dependent upon public transportation.

Never blessed with a son—seemed to express his interest in young men by offering summertime employment to a great number of college age young men. One such young man, now a law student, when told of Mr. Handmaker's passing, remarked that he learned more from his association with Phil Handmaker and working for Automotive Supply Co. than he did in his 4 years at college.

The Automotive Supply Co., of which he was president, comprises 16 branch firms in Pennsylvania. The main corporation also includes these divisions: University Supply Co., with branch locations at Morgantown and Kingwood, W. Va.; Complete Auto & Home Supply Co., 11 locations in Arizona; Complete Industrial Supply Co., 2 branch locations in Arizona. He was a director of the Twin City Rapid Transit Co., Minneapolis, Minn. He also served as chairman of the Transportation and Motor Buses for Public Use Authority in Altoona.

The life and work of Philip H. Handmaker will ever stand as a monument to his success. His passing is mourned by all who knew him.

#### HIS ASSOCIATES.

[From the Altoona (Pa.) Mirror, Aug. 19, 1959]

#### FLAG OF DEATH FOR EVERYONE

EDITOR OF THE ALTOONA MIRROR:

When the morning of August 9, 1959, began, the news was circulated in Altoona that Phil H. Handmaker was no longer among the living. It is very hard to express sympathy when the wound is new, but every one of us must go through it.

The flag of death is for everyone. The life of a person going through this world is like a person arriving in a city, staying overnight at a hotel and leaving in the morning. Life is divided into three parts.

First, a child is born, and as soon as he opens his eyes to look at the world, he closes his eyes and falls back into eternal sleep. Second, when a person is young, in middle age, he strives for happy ending and golden dreams. Suddenly death enters and ends his dreams. Third, when a person reaches old age, his strength leaves.

Naturally your sorrow is very great, but you must remember that death, the funeral, the grave, the cemetery is not the final end of a person. Because the other world brings a new life. I hope his soul is at rest and peace.

Rabbi J. H. HENDERSON.

#### Amending the Bankruptcy Act With Respect to Discrimination Against Salesmen

#### EXTENSION OF REMARKS

OF

HON. ABRAHAM J. MULTER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 1, 1959

Mr. MULTER. Mr. Speaker, on January 7, 1959, I introduced H.R. 872, to amend the Bankruptcy Act with respect to the priority of debts owed by a bankrupt to workmen, servants, clerks, and salesmen.

On February 18, 1959, I introduced H.R. 4729 on the same subject.

On August 20, 1959, it was my privilege to appear before Subcommittee No. 4

of the House Judiciary Committee in support of these measures.

My testimony was as follows:

STATEMENT OF THE HONORABLE ABRAHAM J. MULTER, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF NEW YORK, AUGUST 20, 1959

Mr. MULTER. It is the identical subject, but slightly different language.

I am ABRAHAM J. MULTER, Representative of the 13th District of New York.

I have a prepared statement, Mr. Chairman, which I can leave with you.

Mr. FORRESTER. On both bills?

Mr. MULTER. It covers both bills.

Mr. FORRESTER. Let it be made a part of the record.

Mr. MULTER. I have been introducing a bill covering this subject for many years, having in mind that the limitation now in the statute, in the bankruptcy statute, of \$600 for each claimant, in the nature of a wage earner or salaried employee, has long since been outmoded.

Originally I put in a bill some years ago with a change, increasing the amount of \$600 to a much larger sum. I followed that same procedure when I introduced H.R. 872, on January 7, 1959. And in that bill, I changed the \$600 limitation to \$1,500.

On February 18, 1959, I introduced H.R. 4729, which has no limitation of amount but sets up a criterion for determining the maximum that can be paid, averaging it as against the last year's earnings.

Now, the original limitation—may I say first that I do not change the period of time of 3 months prior to the bankruptcy. In other words, any earnings that have not been collected prior to 3 months before the bankruptcy are treated the same as claims of general creditors. That is the law today, and I don't seek to change that. I continue the 3-month limitation, so that the priority granted to earnings applies only if earned within 3 months prior to the filing of the bankruptcy petition.

Now, it was in 1898 that Congress first put the \$300 limitation into the statute. Then that was changed.

In 1926 the Congress doubled it and made it \$600. Even when they increased it at that time to \$600 they hardly went far enough, because even on that basis, taking the comparative figures, if they considered the increase in cost of living, and the increase in wages, percentage-wise, as against the figure that had been on the statute books from 1898 to 1926, if they had increased it realistically at that time they would have increased it instead of to \$600 to \$2,200.

Now, I am suggesting now that in the wisdom of the committee either you change that amount to \$1,500, which is much more realistic than the \$600, but still not as far as it should go, or so as to avoid the necessity of coming in each year, or every 2 or 3 years, asking for another change in the statute, set up a formula something like the one that I have set forth in H.R. 4729. Then you don't have to change the limitation from year to year, but as the standard of living goes up, as wages and salaries and commissions go up, you can then take a base period of 1 year prior to bankruptcy, average that out, and whatever the average earnings have been in that prior year limit the priority claim accordingly to 3 months' earnings, but not to exceed what he actually earned during that 3 months prior to bankruptcy. Thus you have a limitation by formula instead of by dollars and cents.

I think that would be the more realistic way of doing it.

At the same time, I can understand how there may be some reaction, "Why should we allow a priority wage earner so much money, \$1,500, it is a lot of money." Or possibly if the formula is adopted it may



run to \$2,000 or \$3,000. Well, the fact of the matter is that we ought to determine the amount a man can receive on the basis of his earning capacity.

If I can only earn \$100 a week, and the company that is employing me goes into bankruptcy, then I will file a claim, priority claim, for that \$100 a week, multiplied by the 12 or 13 weeks in the 3-month period prior to bankruptcy. But, on the other hand, if I happen to be a better employee, or a commissioned salesman, who is doing an awfully good job for my employer, and I am earning \$150 or \$200 a week, I don't think I ought to be penalized and put on the same plateau of the fellow not doing as good a job as me and not earning as much. The 3-month period is a fair period. If you let each man get what he has earned during that 3-month period we are being just and fair. I can understand if you don't have some kind of a formula, or some kind of a limitation, it would lend itself to fraud. The bankrupt could make a fraudulent arrangement with some friends, whom he put on his payroll, but actually are not earning anything. He could put them on the payroll for \$300 or \$400 a week, just prior to the bankruptcy, so that they get priority claims that might eat up all of the assets.

My bill does not permit that, because if it is going to be based on my particular formula, then the man must actually have been earning during that year. We take his average of what he has earned and use that as the basis of the limitation of the priority. I think that is a much fairer standard than now in the law.

But, again, I realize the opposition that might develop to having a statute of this kind which does not fix a maximum dollar limitation.

That is, in the main, my presentation, Mr. Chairman, and members of the committee. I appreciate very much the opportunity you have given me to come in and present the case for this bill. I do hope you will favorably consider one or the other of these two bills.

Mr. FORRESTER. The gentleman from Texas [Mr. Dowdy], any questions?

Mr. Dowdy. Not at this moment.

Mr. FORRESTER. The gentleman from North Carolina [Mr. Whitener]?

Mr. WHITENER. Well, you preserve the 3 months' period for priority?

Mr. MULTER. Yes, sir.

Mr. WHITENER. What about this independent contractor provision? Would that include corporate independent contractors?

Mr. MULTER. No; it was not intended to include the corporate contractor. This was intended to include that salesman who is working for four or five companies, because, as you know, the salesman, many times, will take on three or four different lines. Some companies cannot afford to employ a salesman full time. Therefore, the salesman will carry three or four lines. He may carry items that sell that may be divided pricewise, or they may be divided qualitywise. He may carry three or four different lines for small houses.

Mr. WHITENER. Manufacturers' agents?

Mr. MULTER. Yes; when they get into the higher brackets, they call themselves manufacturers' agents. In the lower brackets—

Mr. WHITENER. Or sales engineers?

Mr. MULTER. Yes—and independent contractors. But where the man is not working for a single company, unless we have some language like this, he is not covered by the statute. You just suggest by asking will this include corporations, that it may be necessary to amplify that language so as to apply to individuals.

Mr. Dowdy. I understand these words are in the present law, is that right?

Mr. DRABKIN. "Salesmen, whether or not they are independent contractors," I think is in the act now. As I read these bills, it

doesn't change the scope of the persons covered. It just changes the measure.

Mr. MULTER. That was the intent, to change the measure of the priority claim.

Mr. DRABKIN. I think in 1956 the amendment was made which broadened the scope of the people included. But this bill, as I understand it, would not do that.

Mr. MULTER. Yes, you are quite right on that. I had been introducing bills along this line since back in 1948 or 1949, and I overlooked, until this moment, that in 1956 you broadened the language of the statute as to the definition of wage earner.

Mr. FORRESTER. Mr. MULTER, did you furnish counsel with a list of your witnesses?

Mr. MULTER. No, I did not do that. But I think that he has some requests from interested persons.

(Statement referred to is as follows:)

STATEMENT OF REPRESENTATIVE ABRAHAM J. MULTER, DEMOCRAT OF NEW YORK, BEFORE HOUSE COMMITTEE ON THE JUDICIARY IN SUPPORT OF H.R. 4729, AUGUST 20, 1959

Mr. MULTER. Mr. Chairman and members of the committee, I appreciate the opportunity afforded to me to submit to you my views in support of my bill, H.R. 4729, which I introduced on February 18, 1959.

This bill would remove an archaic discrimination against employees and salesmen when settling the debts of a bankrupt. At the present time, several types of debts have priority and must be paid in full out of bankrupt estates before dividends can be paid to the creditors of the bankrupt. A dollar limitation is placed on only one of these debts, the claims for wages of workmen, servants, clerks, and salesmen. The dollar limitation now effective is the result of a 1926 amendment of a limitation derived from the 1898 act.

The present dollar limit on wages having priority as debts of a bankrupt estate is \$600 for each claimant; the amount must have been earned within 3 months before the date of the commencement of bankruptcy proceedings. Prior to 1926, the limit was \$300. When the increase was discussed on the floor of the House, on April 17, 1926, Congressman Michener said:

"Under the present bankruptcy law there is an amount of \$300 for wages earned within 3 months immediately preceding the bankruptcy proceedings allowed as a priority claim. In the amendment suggested the amount is raised to \$600. I might say \* \* \* the American Federation of Labor appeared before the committee and asked that the limit on the amount be removed entirely and that the time limit be removed \* \* \* if \$300 in 1898 was the proper amount of wages earned within 3 months then in 1926, with changed conditions, that \$600 was a fair and equitable amount." (CONGRESSIONAL RECORD, Apr. 17, 1926, p. 7675.)

The bill which I have introduced and which now is before you does not disturb the time limit of 3 months on earnings which are given priority. It removes the \$600 limitation; and provides safeguards to employees and salesmen, and as well to the other claimants against the estate, in determining the amount of wages and earnings. The safeguards are provided in the method of determining the amount earned or receivable in 3 months prior to bankruptcy. The amount is determined on the basis of the average rate of pay during a period of not more than a year before the bankruptcy occurred. Reasonable rates of compensation should be ascertainable from the experience of a year.

When the \$600 limitation was inserted in place of the \$300 limit in 1926, it was a respectable sum. It was equal, for example, to more than 5½ months average pay of a manufacturing employee. If the limitation were to bear the same relation to manufacturing wages today, it should be at least \$2,200.

It seems to me more appropriate to remove the dollar limitation on wages than to try to find one reasonable figure to fit conditions of today, when we know that the course of wages is upward, and any limitation that is appropriate today will be out of date within a year or two.

Removal of the dollar limitation as proposed in my bill probably would increase the wage claims given priority in settling bankrupt estates. In 1958, in 8,449 asset cases concluded in the courts, wages paid to priority creditors were only 2.3 percent of the proceeds realized from the estate. They were only one-sixth as much as taxes, and less than one-tenth as much as administrative fees and expenses. Removal of the \$600 limitation would eliminate the distinction made in treating wages and other priority creditors, and make subsequent amendment unnecessary.

If the Congress will not go along with my bill to the extent of eliminating the dollar limitation then the least it should do is increase the amount to a sum that is fair by today's standards.

Thank you.

FURTHER STATEMENT OF THE HONORABLE ABRAHAM J. MULTER, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF NEW YORK

Mr. MULTER. May I respond very briefly, Mr. Chairman—I don't want to hold you too long. But I was intrigued by the opposition presented by Mr. Krause on behalf of the boys practicing in the bankruptcy courts. And I think you would be interested to know that originally, one of these bills I introduced some sessions ago, called for \$3,500 as the maximum. Then I found that the bankruptcy lawyers were complaining about it. I discussed it with many of them—members of but none of them talking for the association that my friend Mr. Krause said he represented here today. But I discussed it with them, and they said, "Your \$3,500 is just too high. Why don't you work out a formula—instead of having an amount?" And so you got H.R. 4729.

First, before I put in H.R. 4729, which is the formula bill, without an amount, they said, "Why don't you put in a bill for a more realistic amount? So I discussed it with them, back and forth.

Mr. FORRESTER. Who are you talking about?

Mr. MULTER. Lawyers practicing in the bankruptcy courts, most of them from New York, some from Washington, some from Baltimore, some from Philadelphia—friends of mine I met at various bar association meetings and during the course of my activities.

So I then put in what I thought was a more realistic amount which is the \$1,500. Then came the suggestion, "Why don't you instead of an amount come up with a formula." So H.R. 4729 came up with a formula.

That is why I said to you, Mr. Chairman, that one is not a substitute for the other—because of the divergence of opinion, I want the committee now to decide which is the better way of doing it, because I think—I hope you will agree with me that the amount of \$600 needs some change.

Now, instead of taking this man who is earning \$2,500 a week, or \$2,500 a month, as a salesman, let's take the average. And the last witness gave you the average in his club of \$8,000. I think if you take the statistics from the Department of Commerce, you will find that that is approximately the same average throughout the country of salesmen's commissions. They earn about \$8,000 a year.

Eight thousand dollars a year is approximately \$154 a week; \$154 a week for a 12-week, 3-month period is \$1,848. Look how close I came to that.

Mr. Dowdy. If it is \$8,000 a year, 3 months is a quarter of that, which would be \$2,000.

Mr. MULTER. You can figure it that way, too. If you take 13 weeks, it would be approximately \$2,000. And the one bill only calls for \$1,500.

Now, if you do it the other way, on the formula basis, you will, of course, take in some of the fellows in the higher brackets. But let's have this in mind. I thought possible our friend who is himself a salesman would have made the point, and it would not have been necessary for me to make it. But this is the situation. If you look at what actually happens in these industries, and how the salesman works—many of these salesmen will take this representation, whether they are representing one company or several companies—they go out on the road. They will stay on the road for as much as a month. They will be sending in their orders all the time, the factory or employer is accepting the orders, filling them, shipping them, getting the money. He doesn't get back to his home office anywhere from 4 to 6 weeks after he has left. Sometimes they go out and stay out for as many as 3 months, covering the entire country.

They leave New York City or Baltimore and cover the whole country, before they finally return. And he doesn't know what is going on at home. And when his checks stop coming in to him, he is not getting his weekly or monthly remittance, he will start writing back. If he is covering the country for three or four people instead of one, he can't come rushing back home, "Why haven't you give me my check?" He will be writing and telegraphing for money. When he gets back, he finds his company is in bankruptcy.

Isn't it most unjust to that fellow not to give him fair priority on the wages that he has earned?

Now, originally the statute, I think, said only wages, having in mind just wage earners. A long time ago they broadened the language to cover salaries and commissions.

I think it is fair to say that many of these places cannot stay in business, they cannot earn the money to pay the salaries or the wages to those who are producing the goods, if they didn't have salesmen out on the road, sending in the orders and bringing in the orders. And those fellows are as much entitled to protection of priority claims as the man who is working with his hands, because if the man simply produces, and the goods stay in the warehouse, and are not sold, then there is no money with which to pay his wages.

Mr. FORRESTER. He does get the same thing as a man working with his hands, doesn't he?

Mr. MULTER. Today he does, yes, sir.

Mr. WHITENER. Well, may I interject this thought? In the whole presentation here today, haven't you gentlemen overlooked the fact that if this is liberalized as to salesmen, it would also be liberalized as to the man who does work with his hands?

Mr. MULTER. Yes, of course. We are not trying to put them in a better position. We are trying to equalize the position for all of them.

Mr. FORRESTER. You are just trying to get it raised?

Mr. MULTER. Yes—but raise it for all of them.

Now, one other thing as to the technical language that Mr. Krause referred to, and the possibility of a need for an amendment.

I excuse my friend the salesman, who is not a lawyer, for saying probably it needs amendment. But you lawyers, like myself, I think, should say to Mr. Krause, "Now, Mr. Krause, don't take words out of context. You must read the entire section, and the entire clause." It is true you don't get down to the word "bankrupt" until line 6 on page 2. But if you read the whole thing, it is obvious.

We are not going to let the man working for four people average his earnings and come in and file his claim against the bankrupt for \$1,000, because that is his average earning, when he only earned \$200 for the bankrupt. It is obviously intended to apply only to his average earnings from the particular bankrupt against whom he is filing a priority claim.

If there is any doubt about it at all, just insert on line 6, after the words "payment" "by the bankrupt". And there can be no doubt about it. I don't think it is necessary to put it in.

I think on the question of independent contractors, while it is not tendered by the bill, now that the matter has come to your attention, if you think that needs some further definition, nobody would object to your clarifying it.

Mr. WHITENER. As I understand, this is the present law insofar as it refers to independent contractors, and as the language appears in the present law, and in your proposed amendment, it would relieve the court of even being concerned as to whether the individual is an independent contractor or an employee. And so you get away from this never never land of legal problems.

Mr. FORRESTER. Thank you, Congressman. We are glad to have you.

### Labor Fights for Justice

#### EXTENSION OF REMARKS

OF

HON. ALFRED E. SANTANGELO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 1, 1959

Mr. SANTANGELO. Mr. Speaker, on September 1, my colleague [Mr. RIVERS of South Carolina] had inserted in the RECORD a broad attack on James B. Carey, president of the International Union of Electrical, Radio, and Machine Workers, AFL-CIO, which had been published by the Allendale County Citizen, Allendale, S.C., under dateline of August 28, 1959. There was also included correspondence which indicated a personal attack against Mr. Carey, impugning his Americanism.

On the basis of the statement which Mr. RIVERS inserted in the RECORD, it is apparent that my esteemed colleague is unaware of the great contribution Mr. Carey has made in this country. Through Mr. Carey's efforts, thousands, even millions of Americans, have achieved a better life, better pay, better ability to buy the necessities and other good things produced by our country, better working conditions, and the right to hold their heads high in dealings with their employers.

I am sure that Mr. Carey could have chosen to be on the management side with his extraordinary ability, but he elected rather to fight for the rights of the American man and woman who works for a living. It is this dedication to the cause of the workingmen that obviously motivated Mr. Carey's letters to various Congressmen who supported the Landrum-Griffin bill.

There is no question in the minds of many workingmen that the support for the Landrum-Griffin bill was motivated by economic reasons to maintain the competitive edge which cheap labor ob-

tains for several sections of our country. Of course, many supported this bill to clean up the rottenness in labor unions, but no such support developed to clean up the rottenness in management. The Landrum-Griffin bill went far beyond the requirements of protecting the union member and cleaning out the racketeers. That bill disregards the economic effect of the industrial North, East, and West by destroying labor's traditional practices to organize and to obtain a decent wage for the workingman. Many Southern States have no protection for workers in their desire to obtain a decent wage. They do not provide any minimum-wage protection and labor legislation. The Southern States which have no minimum wages are Alabama, Florida, Georgia, Mississippi, North Carolina, South Carolina, Tennessee, and Texas. My colleague [Mr. RIVERS] comes from South Carolina, where there is no minimum wage in industries not affected by interstate commerce. Arkansas, whose representative is one of the great fighters for labor reforms, Senator McCLELLAN, has a minimum wage law, but the minimum is pathetically low and amounts to a minimum of 16 cents per hour; hardly sufficient to keep body and soul together.

Several States have no compulsory compensation laws, and these are Alabama, Florida, Georgia, North Carolina, South Carolina, Tennessee, and Texas.

The existence of cheap wages and its component competitive edge has caused industry to flee from the North to various sections of the country where the climate is right for wages which are cheap and the benefits to management are many.

I have taken the trouble to inquire into a number of industries which have fled from my own city of New York to go to Southern States where management can obtain a competitive advantage over States which have high standards of wages and strong unions. These are as follows:

Company name	From	To
Cohler & Campbell...	Bronx, N.Y.	Granite Falls, N.C.
American Safety Razor Corp.	Kings, N.Y.	Staunton, Va.
Arkel Safety Bag Co.	do	Newport News, Va.
Bonner Spring Hinge Co.	do	Londrum, S.C.
Julius Kayser, Inc.	do	Greenville, S.C.
Reynolds Metals Co.	Queens, N.Y.	Alabama.

These firms which employed 100 or more employees left the city of New York thereby creating unemployment in my city and brought material benefits to States which attracted their operation. Is it any wonder that Mr. Carey who has been struggling to obtain decent wages for the working man and who has contributed so much to the labor forces would resent legislators who by their vote tend to destroy the ability of labor to defend itself?

I do not condone threats nor do I appreciate personal attacks upon people for their opposition. America has been great because we can disagree without being disagreeable. We have freedom of speech and we have the inalienable right



to criticize representatives. In fairness to Mr. Carey, who represents a large segment of decent and honest labor forces, I set forth Mr. Carey's record for all to see so that the distorted impression obtained by a reading of Mr. RIVER's statement would not be accepted by all fair thinking people.

## Leadership and Progress: The Test of Our Time

### EXTENSION OF REMARKS

OF

## HON. CARROLL D. KEARNS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 1, 1959

Mr. KEARNS. Mr. Speaker, under leave to extend my remarks in the RECORD, I include an address by the Honorable Arthur E. Summerfield on the occasion of the oil industry centennial, Titusville, Pa., August 27, 1959:

### LEADERSHIP AND PROGRESS: THE TEST OF OUR TIME

(Address by the Honorable Arthur E. Summerfield, Postmaster General of the United States, on occasion of the oil industry centennial, Titusville, Pa., August 27, 1959)

Any man in these United States would be honored to be asked to speak here today.

I think, however, he would realize quickly that this is more than an honor. It is also a very formidable challenge.

Here, within this room, is as great gathering of distinguished minds as you could find any place, at any time, for any occasion.

Here is the leadership that has built the modern American petroleum industry. And the accomplishments of this industry are so fabulous as to be almost incredible.

From this industry comes the very life-power behind the growth and progress and security of not only America, but the free world.

We thrive as a free and dynamic people because this industry, in the face of immense problems, is able to provide abundant, low-cost energy for our tremendous needs.

We are gratefully mindful that our country, with 7 percent of the world's population, produces some 40 percent of the energy used by the entire human race.

It is generally forecast that, in our country alone, energy requirements by 1975 will increase by 94 percent. And we have complete confidence that this industry will supply most of this increase—because you who lead it have shown that no challenge is too great for you to accept and meet.

In such presence, the wise speaker will adhere to a subject with which he is most familiar.

I feel I can do this best by reporting to you on some specific problems we face in Washington today. Since any problems in Washington are in fact the direct concern of every citizen—and especially those of you in capacities of leadership—I believe my purpose is appropriate to this occasion.

Further, I should like to do more than report. I should like to tell you what I believe to be the most crucial problem confronting us. And I would then dare to ask you to assess what you can do to help in its solution.

Let me approach the definition of this problem by making two observations that are well known to you:

The first is that government policy vitally affects the economy of any nation. In a dictator state, of course, the effect is absolute.

But even in a republic with a free enterprise system, the government literally determines the broad conditions under which the economy shall operate.

The second point is that, in a republic, the elected representatives of the people presumably are to provide the kind of government the majority of the people want.

It is therefore to be assumed that the people have the right—if not the obligation—to insist upon getting the policies they want.

One natural consequence of this process is the formation of pressure groups—groups that may represent only a small fraction of the electorate, but that organize their efforts, vocally and actively, to advance their own self-interest.

When their interest represents the needs and desires of the great majority of the people, they deserve support.

When their interest is detrimental to the people, they deserve defeat. But the fact is, they may still succeed—and all too often, do. They succeed because the interests of the people have too few champions—too few men and women with the talents and the willingness to speak up, to lead the fight in the people's behalf.

To the public officeholder, the self-interest groups appear to have the initiative; the public appears to be apathetic.

If I may be allowed a personal reference, I would mention that I first became aware of these simple facts back in 1940, when I was a businessman very much absorbed in my own business.

There occurred in my home town a shocking demonstration of the worst kind of pressure-group tactics. No one in public office seemed to be willing to cope with it. I began to envision what would happen if such pressure groups, across the land, should come to dominate our local and State, and even our Federal, governments.

And it became clear to me that I had a responsibility beyond the voting booth—that I should try, in any event, to contribute as I could to the kind of sound government that would make pressure-group government impossible.

My interest, it seems, proved to be more than a passing fancy. I am exceedingly happy that it did. I have cherished my participation in politics and public service. Nothing in my life has been quite so spiritually rewarding, so satisfying.

The basic issue which moved me in 1940 has expanded many times over, today. It is the main force to be reckoned with, as we make our decisions on national economic policy. This year, and in the years directly ahead, these decisions will be crucial.

Upon them will rest the future of our whole security, and freedom and progress as a Nation.

For these are times of supreme challenge. We are engaged in a mammoth cold war in which no quarter is given. It is a war involving economic, as well as physical and moral, strength.

In all the writings of Karl Marx, there is not a line which advocates the overthrow of capitalism by force. Instead, the entire creed is that capitalistic nations will fall because their currencies will weaken and their economies fall.

Certain it is that economic folly, on our part, would be an invitation to disaster. A sound and growing economy is utterly essential to victory.

So our fundamental decision comes down to this: Whether we are to have economic folly through government by pressure group, with inflation, higher taxation, and deadly monopoly power; or, whether we are to have sound government, with sound economic policies that rid us of inflation, confiscatory taxation, and abuses of monopoly power.

At present, our Nation has reached the highest level of prosperity in our history.

We have the healthiest, strongest economy America has yet known.

Our people are enjoying higher wages and better living standards than ever before.

Overall output is at record levels, and rising steadily.

Employment is rising steeply. Unemployment is falling sharply.

For more than a year, the cost of living has remained generally stable.

The battle for a sound dollar is at least temporarily won.

And the outlook for a balanced budget is the brightest it has been in a great many months.

These are achievements made possible by sound policies of government—policies maintained by a determined Federal administration.

They are the result of a resolute battle to bring a rampant inflationary momentum under control.

They are the product of clear-thinking, farsighted leadership—the kind provided by the President in the 1958 recession, when he guided with a steady hand and refused to rush into panic spending.

All these are hard-won gains. And, my friends, it will be harder still to hold them and to continue advancing along these sound ways.

The battle against economic folly is only begun. It must be waged persistently and firmly, as long as there are forces seeking to resume the inflationary process.

The pressure for extravagant Government spending remains very much in being. The groups behind them never rest. Washington is swarming with their representatives, wielding every political weapon that can be applied.

Many in the Congress are inherently bent on limitless spending and taxation. They will ignore the consequences of cheap dollars and deficit financing.

Almost all of these particular Members are saying—for public consumption—that they are opposed to inflation. But what happens every time they have the opportunity to act?

They fight and vote for budget-busting bills that would give inflation another boost.

We have seen examples in just the past few weeks. We are seeing examples now.

I hope you have read the first reports from our Cabinet Committee on Price Stability for Economic Growth. I hope, in fact, that all thinking Americans have read them.

I can tell you they represent a tremendous amount of careful study and work. They look at the problems squarely, and they call a spade a spade.

Few men of responsible position, in either political party, in Washington or elsewhere, have sought to quarrel with the findings or conclusions. I believe that even those who would like to discredit them recognize that their strength lies in their truth.

The reports face up to the fact that new inflation can also come from sharp new spirals in wages and prices.

The challenge to the American people is to demand real statesmanship from all concerned—all who influence the factors that bear on prices, and thus the cost of living.

Union members, with most other Americans, want their leaders, as well as the leaders in management, to exercise basic economic commonsense. They have said so in many surveys of their views.

They do not want an ever-rising cost of living forced upon the country by wage increases that outrun increases in productivity.

They do not want inflation. They want fairness with a future.

They—and all our citizens—must realize, too, the important place that taxation holds in that future.

Our population is growing rapidly. Business can create new jobs to meet this growth only as billions of dollars are invested in new tools and capacity.

From where is this money to come, if Federal, State, and local taxes eat up business income?

There are over 100,000 taxing authorities in our country. Their weight can literally crush the ability of business to meet its job-creating capital needs.

As you so well know, our present tax structure is seriously outdated. It is a set of laws reflecting largely the conditions of the past, especially World War II, when the goal was the confiscation of war profits, not the building of a sound peacetime economy.

A dynamic program of tax reform and reduction is needed in its place. Such a program can ease the burden our taxes are placing on the accumulation of capital for investment.

It can relieve the stifling taxload being carried by the individual citizen, and by our business system.

The Revenue Act of 1954 was a major step in this direction, bringing the greatest dollar reduction in Federal taxes in our history.

Today, the President's insistence on a balanced budget is essential to this goal.

And, needless to say, the broad support of the people will be necessary if this program eventually is to be accomplished.

Let me repeat: The forces devoted to irresponsible spending and taxation are strongly organized. They are highly vocal. They are grimly persistent. They remain confident.

As opposed to them, the number leading the fight for sound government has been relatively small. In Washington, this fight has been led, in large part, by the President and the Vice President, sustained by key members of the administration and some stalwart Members of the Congress.

These are the men who have battled for fiscal sanity, for a balanced budget, for steps leading to tax reform and reduction. More—many more—are needed in every State in the Union.

And here I submit, gentlemen, is the most crucial problem facing this country. It is the need for all who believe in sound government to stand forth and support the efforts that must be made to maintain it.

It is the need for men who have talents of leadership to apply these talents to the political life of the nation.

I would suggest that too much is being expected of too few. The majority of our people want sound and responsible progress by all segments of our society. There has been a vast increase in public consciousness of the fact that only the people, in the end, can see to it that this kind of progress is maintained.

No more dramatic example could be given than the way in which the people have made it clear that they want the abuses of labor

monopoly power stopped. Their mandate has been so strong that the adoption of a vitally needed labor reform law—which the labor monopoly leaders appeared to have blocked as little as 3 months ago—is nearly a reality.

We have seen, too, how the forward march of inflation has been slowed by an aroused public opinion. In no other way could the inflationary forces that ran rampant for so many years have been brought to a halt.

But we must not be misled. Let public vigilance fall away only a little, and the pressure groups will be in the ascendance again. The spenders and taxers will not yield easily, nor will those determined to exploit labor monopoly power.

To keep the public interest uppermost, the people will need articulate help and leadership in every community; not advice from the sidelines; nor cautious detachment from the arena where the decisions are being made.

I know of no men in America life whose leadership could be more important than the men in this room at this moment.

No one could speak with greater authority, for you have shown how successfully you can deal with the very problems that confront us.

This great industry has been outstanding in fighting inflation by holding down prices. In the 10 years from 1949 to 1958, gasoline prices, exclusive of taxes, increased less than 6 percent on a national average, while the cost of living rose more than 20 percent. And these were prices for gasoline constantly improved in quality through huge expenditures in research and development.

Your experience in this industry, too, equips you to emphasize the necessity of vast expenditures by private industry for technology and facilities to meet public needs.

The oil industry knows only too well that, if its capital is taxed away, it cannot continue to make the enormous investments, and take the risks, that have enabled it to serve the public so well to this time.

You know, at first hand, such inflationary pressures as that behind the highway construction program. You know that we must be extremely careful that our Federal highway program is carried forward on the most efficient basis possible.

Already, we find, the estimated costs of this program are running 45 percent higher than in 1956, when it was first approved in Congress.

Our people must be urged to see that this program does not become immersed in a pork barrel. Its potential as an element of inflation is great and serious.

I know very well, indeed, how easy it is to become engrossed in the problems and

duties of daily business. I know how difficult it is to find the time for other activity.

But it can be done. In time of war, all of us are ready to change our lives, to go where we are needed, to serve in the best way we can. We are willing to make any sacrifice to preserve the life and future of our Nation.

We are engaged in no shooting war, but my friends, we are engaged in a battle to preserve the life and the bright future of our country.

It is a time for service, for sacrifice, for leadership.

There is in this room, a tremendous reservoir of vital political thinking, and of great ability to communicate this thinking.

This, too, is demonstrated on the record. I have been told that at least 10 major oil companies have launched public affairs programs to make their employees better informed citizens—and to encourage employees to participate, as citizens, in political activity.

I know personally that many of you are giving increasingly of your time and ability, as citizens, to public affairs and political participation. This, of course, is of first importance. If a public affairs program for employees is to succeed, it must certainly have the demonstrated leadership of the management of the enterprise.

I would appeal to you, in all events, to speak, work and fight for sound policies and a stronger America.

I would ask you to assess anew the importance of your political participation.

The political party of our choice is, and will be, what we make of it—either by participation, or lack of participation, in its affairs and its choice of candidates.

Unless more responsible citizens devote real time and effort to unselfish politics, government by pressure groups will triumph.

Only by genuine participation can we be sure that the Government will serve all the people—not some special interest—and assure that the government will serve all the citizens.

This is a day of great meaning in our Nation's history. All America is proud and grateful on this anniversary of these first magnificent 100 years.

It is a day of even greater meaning to our Nation's future. We know that untold wonders will come in the years ahead, in the second century of oil progress.

We salute you—we look to your leadership in industry, and in our national life.

In the spirit of your accomplishment, we shall move forward into the golden era of opportunity that lies before us.

We shall prove anew there is no conceivable limit to the advance of a free people—no goal they cannot, with wisdom and courage, attain.

## SENATE

WEDNESDAY, SEPTEMBER 2, 1959

(Legislative day of Monday, August 31, 1959)

The Senate met at 10 o'clock a.m., on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D.D., offered the following prayer:

Father of all men, in a day of tribulation, when the very foundations of human society seem to be resting on sinking sand, Thou hast called us to dedicate our brief and little lives to vast and vital causes.

In the midst of world conditions that baffle us, of swift social currents which sweep away our strongest bulwarks, and of evil forces whose hideous cruelty stabs our anguished hearts, we confess that the world in which our lot is cast is too much for us.

Forgive us that it has taken the dreadful threat of a global war for us to recognize that all peoples must work out the common concerns of humanity together, or else go down together into the flaming burial of a final suicidal holocaust.

Because there is no solution of the world's ills, save as it springs from Thy sovereignty and from the hearts of men, we pray, for ourselves, create in us clean hearts, O God, and renew right spirits

within us, that we may contribute worthily to mankind's abiding peace.

We ask it in the Redeemer's name. Amen.

## THE JOURNAL

On request of Mr. JOHNSON of Texas, and by unanimous consent, the reading of the Journal of the proceedings of Tuesday, September 1, 1959, was dispensed with.

## HOUSE BILL PLACED ON THE CALENDAR

The bill (H.R. 8728) to amend the Federal Boating Act of 1958 to extend for an additional year the period when